

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

1957 CORN BASE ACREAGE

APRIL 1, 1957.—Ordered to be printed

Mr. HUMPHREY, from the Committee on Agriculture and Forestry,
submitted the following

R E P O R T

[To accompany S. 1771]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 1771) to provide for a 1957 corn base acreage of 51 million acres, and for other purposes, having considered the same, report it back with a recommendation that it do pass.

EXPLANATION OF THE BILL

This bill would—

(1) establish a base acreage of 51 million acres for the 1957 corn crop in lieu of the 1957 acreage allotment of 37,288,889 acres;

(2) require participation in the acreage reserve program for corn or the conservation reserve program to the extent of an acreage equal to 15 percent of the farm corn base acreage as a condition of 1957 crop corn price support in the commercial area;

(3) raise the 1957 support level for corn outside the commercial area from 75 percent to 82½ percent of the commercial area level (the 1956 level having been 82½ percent);

(4) repeal that part of section 308 (d) (3) of the Agricultural Act of 1956 which would require 1957 corn crop outside the commercial area to be supported at 70 percent of parity if support should be made available to producers in the commercial area not complying with acreage limitations; and

(5) require a study and report on a feed-grain program which can be made effective with the 1958 crop.

The requirement as to soil bank participation, and the increase in the noncommercial area price-support level, are not specified by the bill; but result, under sections 308 (a) and 308 (d) (2) of the Agricultural Act of 1956, from establishment of a base acreage for corn. The price support level in the commercial area which has been announced at not less than \$1.36 for 1957, would not be affected by the bill.

Last year the Secretary of Agriculture exercised his authority under the Agricultural Act of 1949 to make price support available to producers not complying with their acreage allotments. Subsequently he exercised his authority under the Agricultural Act of 1956 to make price support available to producers not complying with the acreage limitations prescribed by that act. Section 308 (d) (3) of the Agricultural Act of 1956, as it is now written, would require the noncommercial area support level for 1957 to be set at not less than 70 percent of parity if the Secretary should make price support available in 1957 to producers in the commercial area not complying with acreage limitations. Seventy percent of the March parity price for corn (\$1.81) would be about \$1.27. As indicated in the hearings (p. 30 et seq.), support of producers in the noncommercial area (who are not required to comply with acreage limitations) at \$1.27 would make it difficult to provide a lower support price in the commercial area for producers not complying with acreage limitations; and if price support at \$1.27 were made available to the latter, \$1.36 would not provide sufficient incentive to obtain extensive compliance. The bill would therefore amend section 308 (d) (3) to eliminate this requirement. If it should become necessary again to make price support available to producers in the commercial area who do not comply with any acreage limitations, the committee feels that such support should not be higher than that in the noncommercial area (\$1.12 on the basis of support for compliers in the commercial area of \$1.36).

Acreage allotments and the price-support level after 1957 would continue to be established as provided by the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949. Thus corn would continue to be covered by these acts as a "basic" commodity.

Testimony during the hearings indicated that one of the difficulties of making a corn program effective was the shifting of acreage to alternative feed grains not under any control. Witnesses from each farm organization participating in the hearing, while differing as to method, supported the idea that Congress and the Department of Agriculture must consider the total feed-grain supply, recognizing the alternate use of different feeds. Even the Department of Agriculture's witness emphasized the problem was not corn alone, but the total feed grain supply.

Lateness of the season made it appear impractical to place a new overall feed-grain program into effect this year. For that reason the committee expressed the hope increased corn participation in the soil bank under this bill in 1957 would help reduce the total feed supply to some extent, but nevertheless felt a start should be made at once toward the broader objective of seeking to bring the total feed supply into better balance with demand.

Part of the difficulty encountered by Congress in working out a satisfactory program for feed grains in 1956, and again this year, resulted from a lack of data. The report required of the Secretary by the bill should therefore include all such historic data as may be obtained to assist Congress in working out a satisfactory program.

BACKGROUND

The Agricultural Act of 1956 provided for a base acreage of 51 million acres in lieu of an acreage allotment for corn for 1956. It

further provided for a referendum of corn producers, which was held December 11, 1956, to determine whether producers favored (1) a base acreage of 51 million acres whenever an acreage reserve program was in effect for corn and, beginning with the 1957 crop, discretionary price support and no acreage allotment, or (2) acreage allotments and price support as provided by the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949. Sixty-one and a half percent of the farmers voting in the referendum favored the first alternative, but under the law a two-thirds majority was required to make it effective. After Congress convened in January, a number of bills affecting the corn program were introduced, both in the Senate and the House of Representatives; and the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices of this committee held hearings on S. 829, S. 1013, S. 1014, S. 1076, S. 1125, S. 1362, S. 1441, and S. 1149. The Committee on Agriculture of the House of Representatives reported H. R. 4901, which, after extensive amendment by the House, was rejected by the House.

PROGRAM OPERATION AND COST

The following letter from the Secretary of Agriculture describes the administration and effect of this bill. From the letter it can be seen that the Government expenditure under the bill would be \$100 million for additional 1957 corn acreage reserve participation. The extent to which price-support programs might be affected by the bill cannot be accurately determined. The bill is effective only for 1957.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, March 29, 1957.

HON. ALLEN J. ELLENDER,
United States Senate.

DEAR SENATOR ELLENDER: At the meeting of the Senate Committee on Agriculture and Forestry on March 21, you requested information as to the current status of the corn acreage reserve program, an interpretation by our Office of General Counsel with respect to the effects of the proposed new corn legislation on soil-bank agreements already signed, and proposed soil-bank operating procedure in case this new corn legislation is approved.

A State-by-State analysis of the current status of the 1957 corn acreage reserve program is contained in the attached table I. This table indicates that as of March 22, 1957, we have firm agreements with about 325,000 farmers covering 4.6 million acres and for which the maximum compensation will be \$171 million.

On March 14, after the adverse action in the House of Representatives with respect to corn legislation, in order to be fair to those farmers who needed a definite decision as to whether we would accept the additional acreage offered, we announced that we would accept "over limit" corn acreage under the soil bank. This had previously been done for all other commodities under the acreage reserve program.

As of March 22, in addition to the firm agreements signed, we have offers covering this "over limit" acreage still in the process of being signed, covering 1.1 million acres and amounting to about \$37 million. It is probable that not all of the offers above the individual farm maxi-

num will ultimately be consummated into firm contracts. Therefore, it is probable that the total costs of the corn program, in the absence of new legislation, will be approximately \$200 million. Thus, it appears that about 5.5 million acres will be signed up in the 1957 acreage reserve program with the present allotment. This compares with our announced goal of 4.5 to 5.5 million acres. Table I shows the sign-up by States.

Under section 105 (c) of the Soil Bank Act the total compensation paid producers for participating in the acreage reserve program with respect to any crop year may not exceed \$750 million, and with respect to corn for any crop year may not exceed \$300 million. Of the former amount the share for corn was \$217.5 million. If \$300 million were used for corn, about \$82.5 million would have to be shifted to corn from unused funds originally allocated by the Department to other commodities. This in turn would make available for corn approximately \$100 million for possible additional sign-up in the 1957 acreage reserve program. Table II (attached) shows the 1957 acreage reserve fund utilization by commodities and the shifts which would have to be made from funds allocated to other commodities to corn.

While under this proposed corn legislation it could be possible for corn producers to place increased acreage in the soil bank, the bill neither would cancel the agreements which have already been signed with producers under the acreage reserve program for the 1957 crop of corn, nor would it give the producers the right to terminate such agreements. It would leave those agreements in effect except that the amount of corn which the producers could produce and still comply with their agreements would be increased by the difference between their 1957 farm acreage allotments as previously established under the Agricultural Adjustment Act of 1938 and his farm base acreage as determined under this bill (which will be the same as the base acreage of which the producer was notified for purposes of the referendum held December 11, 1956, pursuant to section 308 (b) of the Agricultural Act of 1956).

If the acreage which the producer has already placed in the soil bank is not equal to 15 percent of his farm base acreage, he would have to put sufficient additional acreage in either the acreage reserve or the conservation reserve to bring his participation in the soil bank up to 15 percent of his farm base acreage in order to qualify for price support, except that if price support is made available to noncompliers, a producer who does not meet the "15 percent" requirement would be eligible for such support.

The Secretary would, of course, have authority under other provisions of the Soil Bank Act to consent to the termination of agreements by producers if he found such action to be necessary or desirable in carrying out the provisions of this bill. However, we would not want to cancel existing contracts except in exceptional circumstances.

Our proposed soil bank operating procedure in case this bill is passed is as follows:

(a) We would reallocate the available funds from other commodities to corn.

(b) Available funds would be used for additional corn acreage in the following order of priority:

1. Each farm now under agreement would be offered an opportunity to increase cor acreage in the acreage reserve up to 15 percent of the respective corn base.

2. All other corn farms in the commercial corn area would be allowed to sign agreements for the larger of 5 acres or 15 percent of the farm corn soil-bank base.

3. If it should appear that this would not exhaust available funds an equitable method for additional signup would be developed.

(c) Initial allocation of available acreage reserve funds would be made to counties and States in proportion to the number of acres of corn allotment on farms not presently covered by acreage reserve agreements multiplied by the approved compensation rate per acre. Initial allocations would be increased or decreased as necessary to first permit all farmers desiring to do so to enter the 5 acres—15 percent maximum.

It is not expected that many farmers would place acreage in the conservation reserve in order to be eligible for price support. In view of the large sums still unused in the conservation reserve program, no problems of fund allocation are anticipated.

(d) The signup would be reopened under the above conditions. The final signup date would be 3 weeks after the bill becomes law.

Of course, you recognize that farmers generally have made their 1957 plans on the assumption that there would be no new corn legislation. In view of the delays which have occurred there will be many administrative problems. These will include reopening the signup to those who have already signed firm agreements but for whom the amount in the acreage reserve would be less than 15 percent of their acreage base. Then, there would be those producers who want to participate on the basis of their acreage base but who felt that they could not because of the size of their acreage allotments. All farmers who signed firm contracts would have to be officially notified of their new permitted acreage. Of course, some currently signed up may desire to cancel their contracts because of the change of rules. This may create certain administrative problems.

Sincerely yours,

E. T. BENSON, *Secretary.*

TABLE I.—1957 corn acreage reserve progress report through Mar. 22, 1957—revised

State	Signed contracts		Acreage reserve		Total compensation if all offers become firm contracts	1957 acreage allotment for old farms ¹		
	Number	Percent of all old farms	Acres in firm contracts	Total acres offered		Total acres	Percent under firm contract (3+6)	Percent offered (4+6)
	(1)	(2)	(3)	(4)		(6)	(7)	(8)
Alabama.....	6,435	22.2	58,301	59,825	\$1,763,652	303,314	19.2	19.7
Arkansas.....	1,316	11.6	8,578	8,693	199,935	87,706	9.8	9.9
Delaware.....	1,141	17.7	17,133	19,798	891,503	108,971	15.7	18.2
Georgia.....	2,604	16.6	38,459	44,419	836,415	378,147	10.2	11.7
Illinois.....	26,516	11.5	357,794	419,102	19,538,671	5,857,909	6.1	7.2
Indiana.....	28,292	16.0	326,736	361,881	17,131,431	3,016,533	10.8	12.0
Iowa.....	37,757	17.7	625,378	847,713	37,528,274	6,862,686	9.1	12.4
Kansas.....	11,806	33.4	202,163	268,046	6,832,488	905,079	22.3	29.6
Kentucky.....	19,253	24.3	190,155	215,823	7,789,048	909,810	20.9	23.7
Maryland.....	1,955	10.4	22,951	27,245	1,205,319	263,825	8.7	10.3
Michigan.....	17,007	17.3	169,806	184,219	8,197,758	995,695	17.1	18.5
Minnesota.....	15,784	11.7	212,358	249,868	9,769,822	3,436,176	6.2	7.3
Missouri.....	34,016	25.8	507,341	583,335	21,344,215	2,381,250	21.3	24.5
Nebraska.....	45,981	47.4	969,999	1,391,711	36,769,007	4,172,390	23.2	33.4
New Jersey.....	1,590	23.5	22,814	24,108	1,223,244	104,900	21.7	23.0
North Carolina.....	10,009	12.8	80,971	85,755	2,870,211	850,262	9.5	10.1
North Dakota.....	485	19.5	7,161	8,238	188,068	71,182	10.1	11.6
Ohio.....	23,738	15.0	262,192	282,796	14,532,867	2,156,784	12.2	13.1
Pennsylvania.....	5,871	10.3	55,524	60,318	2,822,288	582,079	9.5	10.4
South Dakota.....	9,196	17.7	183,945	246,279	6,496,830	1,948,675	9.4	12.6
Tennessee.....	10,085	22.1	99,828	108,092	3,025,505	458,135	21.8	23.6
Virginia.....	1,339	14.0	16,105	17,176	684,991	123,548	15.0	13.9
West Virginia.....	135	11.8	1,966	2,042	83,616	15,835	12.4	12.9
Wisconsin.....	12,285	13.1	136,596	151,122	7,200,984	1,297,998	10.5	11.6
Total.....	324,596	18.2	4,574,254	5,667,604	208,926,142	37,288,889	12.3	15.2

¹ Excludes ineligible new farms and reserves.

Source: CSS, Soil Bank Division.

TABLE II.—1957 acreage reserve fund utilization

[In million dollars]

Commodity	Maximum permitted in any crop year	Allocation	Maximum payment as of Mar. 22, 1957	Amount available for reallocation to corn
Corn.....	300	217.5	208.0	-----
Cotton.....	300	217.5	157.0	60.5
Peanuts.....	7	-----	-----	-----
Rice.....	23	14.0	13.5	.5
Tobacco.....	45	34.1	18.0	16.1
Wheat.....	375	267.6	235.0	32.6
Total.....	¹ 1,050	¹ 750.7	631.5	² 109.7

¹ Not more than \$750 million can be used for all commodities in any 1 year.² Of this amount up to \$82.5 million would be reallocated to corn.

VIEWS OF FARM ORGANIZATIONS

The committee requested views on the bill from the National Farmers Union, the American Farm Bureau Federation, the National Grange, and the National Council of Farmer Cooperatives. The views of the first three organizations are attached. The last named organization advised that it had not taken a position on the bill and consequently would not submit written views.

[Telegram]

WASHINGTON, D. C., March 25, 1957.

HON. ALLEN J. ELLENDER,
Senate Office Building, Washington, D. C.

Replying to your request by telephone this afternoon for our reaction to the corn and feed grains bill reported by your committee this morning. We welcome this positive action to improve the corn and feed grain farm income situation in 1957 and later years. While the bill is pitifully short of the comprehensive long-range program that is so badly needed, the committee bill is a major improvement over the existing situation in two important respects: First, it establishes a solid recognition of and basis for later congressional action to enact legislation dealing with the entire feed-grain corn and livestock economic structure from a comprehensive income improvement and supply management basis and second, it provides at least partially for 1957 the type of improvement in the corn situation that a legally sufficient number of corn producers voted their confidence that Congress would enact without permanently destroying the basic status of corn. We hope you will find it possible to support the bill and proposed amendments to further improve it along the lines of our recommendations to your committee on March 4.

JOHN A. BAKER,
*Coordinator of Legislative Services,
National Farmers' Union.*

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., March 26, 1957.

HON. ALLEN J. ELLENDER,
*United States Senate,
Washington, D. C.*

DEAR ALLEN: This is in reply to your request for a statement regarding our position at this time concerning corn legislation for 1957.

At our annual meeting last December, the voting delegates went on record favoring the enactment of legislation providing for the type of corn program favored by the large majority of farmers affected. In support of this policy, representatives of the American Farm Bureau Federation appeared before the House Agriculture Committee and a subcommittee of the Senate Committee on Agriculture and Forestry urging that Congress quickly pass a simple corn bill.

We indicated that the early passage of a simple bill was urgent because plans for spring planting were being made and farmers needed to know as soon as possible what kind of program would be in effect in 1957. These statements were made in January and early February.

The House of Representatives on March 13, 1957, by a record vote of 188 yeas to 217 nays, defeated a simple bill designed to permit corn farmers in 1957 to participate in the kind of program which they prefer. The House Agriculture Committee was split on the issue. Most of the minority members finally supported legislation to give commercial area corn farmers a program in 1957 similar to the options offered farmers in the corn referendum last December which was favored by 61½ percent of the approximately 440,000

farmers voting in the referendum. Most of the majority members insisted that the acreage reserve program of the soil bank must also be opened up to grain sorghums, barley, rye, oats, soybeans, flax seed and nonecommercial area corn. The House refused to pass any of the various proposals that were offered.

We understand that the Senate Committee on Agriculture and Forestry yesterday on a split vote reported out a bill which would substitute a 51-million acre corn base acreage for the 37.3 million acre national corn allotment.

Since the House has debated the subject this year at considerable length and refused to change the current law, it appears to us that before the Senate acts, it may want to determine whether there is any possibility of action being taken by the House on legislation that would be effective and financially sound in sufficient time to be of any assistance in adjusting production to demand in 1957.

In considering this problem, the experience of last year in connection with passage of the Agricultural Act of 1956 should be added to the attitude shown by the House this year on corn legislation. Last year, soil bank legislation was passed after most of the corn was planted.

As early as April 5, 1956, the American Farm Bureau Federation pointed out that "It is too late for a soil bank plan to be of any benefit to farmers this year."

Nevertheless, the group in the House which opposed corn legislation this year were the ones who put through the amendment on May 3, 1956, which forced payments in 1956 on a 51-million-acre soil-bank corn base, even though most of the corn area had already been planted, which made it obvious that such payments would not make an appreciable contribution to bringing supplies into balance with demand.

Because the law directed it, \$179 million was paid out under a situation which doomed it from the start to ineffectiveness so far as adjusting production was concerned.

Once again consideration is being given to legislation which will help farmers bring supplies into line with demand. Once again it probably is too late for legislation to be passed that will make any real contribution to lifting the price-depressing surpluses off the backs of farmers.

We understand that about 5½ million acres of cornland have been offered for Government soil-bank contract.

Farmers have made their plans and corn-planting time is practically here. Legislation must run the gantlet of the Senate, the House, and probably conference between the two bodies to iron out differences with the agreement then being reconsidered by the Senate and the House before being sent to the President for consideration.

This situation suggests questions such as the following: How much will corn farmers reduce plantings below that to which they already have agreed? Will those corn farmers who agreed to stay within their portion of the 37.3 million acres get a windfall payment if the base at this late date is raised to 51 million acres? Will it be fair to corn farmers who were willing to stay within the 37.3 million allotment to allow other farmers to come into the program now? How will the increase be divided between those who have signed up and those who were unwilling to sign up until their share was increased? Two hundred and seventeen million dollars represents the share of the \$750

million total acreage reserve fund available for corn. Close to \$200 million has been signed up for corn at this time. Should funds be shifted from other acreage reserve commodities to obtain a larger signup on corn?

We are seriously concerned that legislation at this late date and the time required to put it into effect after enactment would create more ill will among farmers—including corn farmers—and non-farmers than it would contribute to adjusting the agricultural plant.

The American Farm Bureau Federation has looked upon the soil bank as a means of bringing supplies into balance with demand and not as a device to provide farmers with free crop insurance.

We are working to bring about a healthy market condition by removing market gluts and do not look with favor on payments as an end in themselves.

Since the present corn signup is heavily concentrated in areas which have recently been adversely affected by drought, the probability exists that there may be a further build-up of corn surpluses. Even though this is undesirable, legislative action has been so long delayed that it is highly questionable whether legislation now will result in anything but a wasteful expenditure of public funds this year at a time when we should be economizing.

Sincerely yours,

FRANK K. WOOLLEY,
Legislative Counsel.

THE NATIONAL GRANGE,
Washington, D. C., March 27, 1957.

Mr. JAMES M. KENDALL,
*Committee on Agriculture and Forestry,
United States Senate,
Washington, D. C.*

DEAR MR. KENDALL: This is in response to the committee's request for a statement on an original bill favorably reported providing corn base acreages for 1957. As we understand the measure, it would (1) establish a base acreage of 51 million acres for the 1957 corn crop in lieu of existing acreage allotments, (2) increase the 1957 support level for corn outside the commercial corn producing area from 75 percent to 82½ percent of the commercial corn area level for those complying with acreage limitations, (3) require participation in the acreage reserve for corn or the conservation reserve to the extent of an acreage equal to 15 percent of the corn base acreage as a condition of corn price support, and (4) require a study and report on a feed grain program to become effective in 1958.

As was indicated in our statement submitted in connection with S. 1013 and similar bills relating to corn, we seriously doubt whether the soil bank as it has been devised and implemented will bring about any substantial reduction in the harvest of corn or of feed grains. Basic changes are necessary in the farm program if we are ever going to get production adjustment, wise land use, expanded markets, and a more equitable return to producers for farm commodities. The present corn proposals appear merely to be efforts to make the best of a bad situation. Under the circumstances, it may be desirable to buy time and hold the line as well as possible against overproduction

and inadequate income while important preparatory work is carried on for a more effective approach to our agricultural problem. Temporary expedience or emergency approaches can only be justified if simultaneously efforts are made to correct fundamental shortcomings in our present agricultural programs. Part of our concern about current efforts to bail out the corn program arose from the conviction that the corn proposals, being unrelated to the total feed problem, offered no hope of a real solution. We commend the committee for its recognition of this fact and the requirement that a study and report on a feed grain program be submitted.

In our earlier statement we indicated that we would favor establishing again for 1 year a corn base acreage of 51 million acres and price support to cooperators at a level not less than 75 percent of parity only as a temporary expedient and if provision is made to obtain an adjustment in corn acreage. We, therefore, recommended that a farmer to be eligible for price-support or soil-bank payments under such a program should be required to reduce his corn planting to 15 percent below his base acreage for corn. The action of the committee appears to us to be in general accord with the position taken by the National Grange in its earlier testimony on this subject matter.

Very truly yours,

THE NATIONAL GRANGE,
JOSEPH O. PARKER,
Legislative Counsel.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

AGRICULTURAL ACT OF 1956

SEC. 103. * * *

(b) (1) There is hereby established for [1956 and for each year for which an acreage reserve program is in effect for corn] 1957 a total base acreage of corn for the commercial corn-producing area proclaimed under section 327 of the Agricultural Adjustment Act of 1938, as amended, of fifty-one million acres. The total base acreage of corn for the commercial corn-producing area shall be apportioned by the Secretary among the counties in such area on the basis of the acreage of corn in such counties during the five calendar years immediately preceding the calendar year in which the apportionment is made (plus, in applicable years, the acreage diverted under previous agricultural adjustment, conservation, and soil bank programs), with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local

committees, among the farms within the county on the basis of past acreage of corn (planted and diverted), tillable acreage crop-rotation practices, types of soil, and topography.

[(2) This subsection (b) shall become inoperative after 1956 if in the referendum conducted pursuant to section 308 (b), producers do not vote in favor of the program provided in subsection (c) of such section.]

* * * * *

SEC. 308. (a) Notwithstanding any other provisions of law, whenever base acreages are in effect for corn, the Secretary shall require, as a condition of eligibility for price support on corn, that the producer (1) devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program for corn or the conservation reserve program, equal to 15 per centum of such producer's farm base acreage for corn, and (2) not exceed such farm base acreage for corn: *Provided*, That price support may be made available to any producer who does not meet the foregoing requirements at such level, not in excess of the level of price support to producers who meet such requirements, as the Secretary determines will facilitate the effective operation of the price support program. Corn acreage allotments shall not be effective for the [1956] 1957 crop.

[(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.]

[(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.]

(d) Notwithstanding any other provision of law, (1) the level of price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, shall be 76 per centum of the parity price for the commodity as of May 1, 1956, (2) the level of price support for corn produced outside the commercial corn-producing area, for any crop for which base acreages are in effect [except as provided in (3) below], shall be 82½ per centum of the level of price support for corn in the commercial corn-producing area to producers complying with acreage limitations, and (3) if price support is made available for the 1957 crop of corn in the commercial corn-producing area to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghums, barley, rye, and oats, [and corn produced outside the commercial corn-producing area,] respectively, at a level, not less than 70 per centum of the parity price as of

the beginning of the marketing year, determined by the Secretary to be fair and reasonable in relation to the level at which price support is made available for corn in the commercial corn-producing area to producers not complying with acreage limitations, taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, and the ability to dispose of stocks of such commodity acquired through price support programs.



Calendar No. 194

85TH CONGRESS
1ST SESSION

S. 1771

[Report No. 198]

IN THE SENATE OF THE UNITED STATES

APRIL 1, 1957

Mr. HUMPHREY (for himself, Mr. HICKENLOOPER, Mr. MUNDT, Mr. SYMINGTON, and Mr. THYE) introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

APRIL 1, 1957

Reported by Mr. HUMPHREY, without amendment

A BILL

To provide for a 1957 corn base acreage of fifty-one million acres, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That (a) the first sentence of section 103 (b) (1) of the
4 Agricultural Act of 1956 is amended to read as follows:
5 “There is hereby established for 1957 a total base acreage
6 of corn for the commercial corn-producing area proclaimed
7 under section 327 of the Agricultural Adjustment Act of
8 1938, as amended, of fifty-one million acres.”

9 (b) Section 103 (b) (2) of such Act is repealed.

10 SEC. 2. (a) The last sentence of section 308 (a) of
11 the Agricultural Act of 1956 is amended to read as follows:

1 “Corn acreage allotments shall not be effective for the 1957
2 crop.”

3 (b) Subsections (b) and (c) of section 308 of such
4 Act are repealed.

5 (c) (1) Section 308 (d) (2) of such Act is amended
6 by striking out “(except as provided in (3) below)”.

7 (2) Section 308 (d) (3) of such Act is amended by
8 striking out “oats, and corn produced outside the commercial
9 corn-producing area” and inserting “and oats”.

10 SEC. 3. The Secretary of Agriculture shall conduct a
11 thorough study of possible methods of providing an overall
12 feed grain program which can be made effective with the
13 1958 crop, and report thereon with specific recommenda-
14 tions, including drafts of necessary legislation to carry out
15 such recommendations, not later than June 1, 1957.

85TH CONGRESS
1ST SESSION

S. 1771

[Report No. 198]

A BILL

To provide for a 1957 corn base acreage of fifty-one million acres, and for other purposes.

By Mr. HUMPHREY, Mr. HICKENLOOPER, Mr.
MUNDT, Mr. SYMINGTON, and Mr. THYE

APRIL 1, 1957

Read twice and referred to the Committee on
Agriculture and Forestry

APRIL 1, 1957

Reported without amendment

Calendar No. 194

85TH CONGRESS
1ST SESSION

S. 1771

[Report No. 198]

IN THE SENATE OF THE UNITED STATES

APRIL 1, 1957

Mr. HUMPHREY (for himself, Mr. HICKENLOOPER, Mr. MUNDT, Mr. SYMINGTON, and Mr. THYE) introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

APRIL 1, 1957

Reported by Mr. HUMPHREY, without amendment

A BILL

To provide for a 1957 corn base acreage of fifty-one million acres, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That (a) the first sentence of section 103 (b) (1) of the
4 Agricultural Act of 1956 is amended to read as follows:

5 “There is hereby established for 1957 a total base acreage
6 of corn for the commercial corn-producing area proclaimed
7 under section 327 of the Agricultural Adjustment Act of
8 1938, as amended, of fifty-one million acres.”

9 (b) Section 103 (b) (2) of such Act is repealed.

10 SEC. 2. (a) The last sentence of section 308 (a) of
11 the Agricultural Act of 1956 is amended to read as follows:

1 “Corn acreage allotments shall not be effective for the 1957
2 crop.”

3 (b) Subsections (b) and (c) of section 308 of such
4 Act are repealed.

5 (c) (1) Section 308 (d) (2) of such Act is amended
6 by striking out “(except as provided in (3) below)”.

7 (2) Section 308 (d) (3) of such Act is amended by
8 striking out “oats, and corn produced outside the commercial
9 corn-producing area” and inserting “and oats”.

10 SEC. 3. The Secretary of Agriculture shall conduct a
11 thorough study of possible methods of providing an overall
12 feed grain program which can be made effective with the
13 1958 crop, and report thereon with specific recommenda-
14 tions, including drafts of necessary legislation to carry out
15 such recommendations, not later than June 1, 1957.

A BILL

To provide for a 1957 corn base acreage of fifty-one million acres, and for other purposes.

By Mr. HUMPHREY, Mr. HICKENLOOPER, Mr.
MUNDT, Mr. SYMINGTON, and Mr. THYE

APRIL 1, 1957

Read twice and referred to the Committee on
Agriculture and Forestry

APRIL 1, 1957

Reported without amendment

REVENUE S. 1771

(Revised Nov. 1961)

A BILL

TO AMEND THE REVENUE CODE, CHAPTER 104, ACT 104 OF 1959, AS AMENDED, BY ADDING A NEW SECTION, TO BE KNOWN AS SECTION 104.1, TO READ AS FOLLOWS:

SECTION 104.1. (a) The term "taxable property" shall mean all property owned by a person, whether or not the property is subject to taxation, and shall include all property owned by a person, whether or not the property is subject to taxation, and shall include all property owned by a person, whether or not the property is subject to taxation.

(b) The term "taxable property" shall mean all property owned by a person, whether or not the property is subject to taxation, and shall include all property owned by a person, whether or not the property is subject to taxation, and shall include all property owned by a person, whether or not the property is subject to taxation.

SECTION 104.2. (a) The term "taxable property" shall mean all property owned by a person, whether or not the property is subject to taxation, and shall include all property owned by a person, whether or not the property is subject to taxation, and shall include all property owned by a person, whether or not the property is subject to taxation.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 9, 1957
For actions of April 8, 1957
85th-1st, No. 61

CONTENTS

Administrative law.....16	Forestry.....21,41	Research.....9
Animal disease.....19	Housing, rural.....9	Roads.....24
Appropriations.....8	Information.....7	Small business.....33,43
Area development.....17,31	Insect control.....1	Soil bank.....28,38
Audit.....14	Lands.....20,44	Soil conservation.....14
Budget.....13,34	Livestock.....19,40	Statehood.....23,27
Corn.....12	Loans, farm.....157	Territories.....22
Cotton.....2	Organization.....37	Trade, foreign.....5
Deferred grazing.....11	Personnel.....45, 32, 36	Transportation.....26
Drought relief.....11	Plant pests.....1	Water, resources.....18,29
Electrification.....15,35	Poultry.....10,25	pollution.....39
Flood insurance.....6	Price supports.....2,3,30	Wildlife.....38
Food additives.....4	Property.....42	
	Reclamation.....46	

HIGHLIGHTS: Senate passed poultry inspection bill. Senate passed deferred grazing bill. House Rules Committee cleared plant pests control bill. House Committee reported bill to extend 1956 price supports for extra long staple cotton. Rep. Knutson criticized Secretary's position on price supports as reported in press. Rep. Lesinski introduced and discussed bill to provide health insurance program for Federal employees. Rep. Dingell urged technical assistance to depressed areas. Sen. Goldwater criticized budget. Senate committee reported bill to authorize training of Federal employees at public or private facilities. Senate committee reported bill to authorize this Department to make loans to desert-land entrymen.

HOUSE

1. INSECT CONTROL. The Rules Committee reported a resolution for consideration of H.R. 3476, to facilitate the regulation, control, and eradication of plant pests. pp. 4716, 4741
2. COTTON. The Agriculture Committee reported without amendment H.R. 3654, to amend the Agricultural Act of 1949 so as to continue the price support for extra long staple cotton at the 1956 rate (H. Rept. 312). p. 4741
3. PRICE SUPPORTS. Rep. Knutson criticized the Secretary's position, as reported in a newspaper, that he favors the elimination of all mandatory farm-price supports. p. 4735
4. FOOD ADDITIVES. Both Houses received from HEW a proposed bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of chemical additives which have not been adequately tested to establish their safety; to H. Interstate and Foreign Commerce and S. Labor and Public Welfare Committees. pp. 4654, 4740

5. FOREIGN TRADE. Rep. Bailey spoke in opposition to congressional approval for U.S. membership in the Organization for Trade Cooperation, and criticized the President's rejection of recent recommendations of the Tariff Commission under the escape clause of the Trade Agreements Act restricting the importation of certain products. pp. 4736-37
 6. FLOOD INSURANCE. Rep. Sullivan criticized the delay in making Federal flood insurance available to the public, and inserted correspondence with the Federal Flood Indemnity Commissioner on the matter. pp. 4737-39
 7. INFORMATION. Conferees were appointed on H.R. 4813, to extend the life of the D. C. Auditorium Commission. Senate conferees have not yet been appointed. p. 4708
 8. APPROPRIATIONS. Passed with amendments H.R. 6500, the D. C. appropriation bill for 1958. pp. 4723-35
 9. HOUSING. The Banking and Currency Committee reported without amendment H.R. 6659, to extend and amend laws relating to the provision and improvement of housing. (H. Rept. 313). p. 4741
The bill includes a provision directing the Housing and Home Finance Agency to carry out a study of farm housing, including development of information on the adequacy of existing housing, needs for housing, problems faced by farmers in connection with housing, interrelation of farm and city housing, etc.; provides that such research shall be conducted by the land-grant colleges and shall be financed by HHFA; and authorizes such grants not exceeding \$300,000 for each of the years 1958 and 1959.
- SENATE
10. POULTRY. Passed with amendments S. 1747, providing for the compulsory inspection by this Department of poultry and poultry products (pp. 4667-81). Agreed to an amendment by Sen. Revercomb to limit such inspection to poultry about to be slaughtered at the processing plant (pp. 4674-5). By unanimous consent two typographical errors were corrected (p. 4667).
Sen. Malone inserted a Nev. Legislature resolution urging a Federal system of poultry inspection similar to that for other meats. p. 4658
 11. DROUGHT RELIEF. Passed H.R. 2367, to provide a deferred grazing program for drought-stricken areas, inserting the text of S. 511, and with an amendment by Sen. Johnson to provide payments equal to the fair rental value of the land instead of establishing this as the maximum (pp. 4683-4). pp. 4681-97
 12. CORN. S. 1771, to provide for a 1957 corn-base acreage of 51 million acres, was made the unfinished business. p. 4697
 13. BUDGETING. Sen. Goldwater criticized the current levels of Government spending and taxation, and inserted an anonymous article, "How Freedom Vanished In The Ancient World By Popular Vote." pp. 4698-4705
Received an Ark. Legislature resolution urging support of five constitutional amendments, including the Byrd-Bridges balanced budget amendment, the Reed-Dirksen amendment to limit the top rate of income taxes, and the Bricker amendment. p. 4655
 14. SOIL CONSERVATION. Received an audit report from the Comptroller General of the Agricultural Conservation Program Service for fiscal 1955. p. 4654

WINDOW SHOPPING FARMERS

In some areas now emerging from the drought, merchants report farmers are window shopping for replacements for 10-year-old tractors and rusted plows.

"The situation is getting to look pretty rosy," enthuses R. L. Blood, Oklahoma City department of agriculture statistician.

Another sign of hope in parts of the Southwest: Many cattlemen, encouraged by recent rainfall and favorable forecasts by some weather experts, are pressing reluctant bankers for loans to restock depleted herds.

But the bankers are holding off to see if more rain is in sight. For instance, at Kerrville, Texas, where five inches of rain last month turned pastures green, banker A. J. Lochte says he won't be granting loans for restocking until new grass is strong enough to be grazed. "We've had quite an increase in requests for loans from smaller stockmen," says Mr. Lochte. "But the larger ranchers still are waiting until they're more certain."

At San Angelo, C. R. Hallmark, president of the First National Bank, also is being cautious about granting agricultural loans despite a recent light rain. "This drought isn't over yet," says Mr. Hallmark.

There are some, of course, who question whether the Great Plains cattle business—subject of much colorful prose and poetry—will ever again be a sizable factor in the Nation's livestock industry. The Nation's cattle population has shown a tendency in recent years to move eastward, and some Western cattlemen have moved with their herds.

"It's getting tougher all along to raise cattle in the old cowboy country," avers Dr. Smith, Dallas banker.

Western cattlemen will argue this point. "Good weather conditions will stabilize our herds," says a rancher at Truth or Consequences, N. Mex.

Despite a big increase in cattle production in Southeastern areas, the number of beef animals in the United States took a downturn this year. Continued drought likely will cause further reduction. If the drought country should have substantial rain this year or next, demand for replacement breeding animals probably will spur a new increase in total cattle population.

Mr. HOLLAND. Mr. President, I now ask unanimous consent that the Committee on Agriculture and Forestry be discharged from the further consideration of H. R. 2367, and this I do with the consent of the chairman of the committee. If permission is granted, I shall then move that the Senate proceed to the immediate consideration of the House bill.

The PRESIDING OFFICER. Without objection, the Committee on Agriculture and Forestry is discharged from the further consideration of House bill 2367. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2367) to establish a deferred grazing program as part of the relief available to drought-stricken areas under Public Law 875, 81st Congress, and for other purposes.

The PRESIDING OFFICER. Does the Senator from Florida now move that the Senate proceed to the consideration of H. R. 2367?

Mr. HOLLAND. I so move.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. HOLLAND. Mr. President, I move to amend by striking out all after the

enacting clause of H. R. 2367 and inserting in lieu thereof the text of Senate bill 511, as amended.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. MUNDT. Mr. President, as a member of the committee and as a Senator representing in part one of the States which is interested in programs of this particular kind, I wish to say that I supported this measure in the committee, and I feel that the amendments which were made by the Senate committee have strengthened the bill and certainly tend to justify unanimous support of the bill.

Mr. LAUSCHE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. MORRIS in the chair). The Senator from Ohio will state it.

Mr. LAUSCHE. Who has the floor?

The PRESIDING OFFICER. The Chair has recognized the Senator from South Dakota.

Mr. MUNDT. I thank the Chair.

Mr. President, so far as I am concerned, I am ready to have the Senate vote.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The bill (H. R. 2367) was passed, as follows:

Be it enacted, etc., That notwithstanding any other provision of law, in connection with any major disaster due to drought determined by the President to warrant assistance by the Federal Government under Public Law 875, 81st Congress, as amended, the President is authorized and directed as part of the assistance provided pursuant to such act to formulate and carry out, through the facilities of the Department of Agriculture, a deferred grazing program, which shall include nonuse or limited use, or any needed combination thereof, in any county affected by such disaster in which the Secretary of Agriculture determines grazing of native rangeland is a substantial factor in agricultural production, and finds that limited or deferred grazing is necessary and appropriate for the reestablishment or conservation of grass for grazing. Such program shall be applicable only to nonfederally owned land which is normally used for grazing. Within 30 days (1) after the date of enactment of this act, or (2) after any subsequent designation of any such area as a disaster area by the President, the Secretary shall designate the counties in any such area in which this program shall be available, and the program shall remain available in each such county for a period of not more than 5 years after the date of enactment of this act.

SEC. 2. The program shall provide for payment for deferred grazing to farmers and ranchers at rates equal to the fair rental value of the land for the grazing use withheld under the program, as determined by the Secretary on the basis of the normal grazing capacity of the land during periods of adequate precipitation. No payment shall be made under the program if it is determined that a shift of livestock from the deferred areas to other land results in overgrazing nondeferred areas. Payment to any

person for deferred grazing on land in any one county or land in more than one county operated as a single unit shall not exceed \$5,000 for any 1 year.

SEC. 3. The program authorized herein may include such terms and conditions, in addition to those specifically provided for herein, as are determined desirable to effectuate its purposes and to facilitate practical administration. The program authorized herein for any county shall be supplemental to the agricultural conservation program, and not in substitution of, other programs in such county authorized by any other law, except that no payment shall be made concurrently on the same land for deferred grazing under this and any other program.

SEC. 4. There is hereby authorized to be appropriated, in addition to other funds authorized to be appropriated for the purposes of Public Law 875, 81st Congress, such funds as are necessary to carry out the program authorized herein.

The title was amended so as to read: "A bill to establish a deferred grazing program as part of the relief available to drought-stricken areas under Public Law 875, 81st Congress, and for other purposes."

The PRESIDING OFFICER. Without objection, Senate bill 511 is indefinitely postponed.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which House bill 2367 was passed be reconsidered.

Mr. GOLDWATER. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

To motion to lay on the table was agreed to.

NINETEEN HUNDRED AND FIFTY-SEVEN CORN BASE ACREAGE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 194, Senate bill 1771.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1771) to provide for a 1957 corn-base acreage of 51 million acres, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I desire to announce that we do not contemplate any yea-and-nay votes this evening, or any further business this evening, other than statements to the Senate and statements for the Record.

PREMIER SHOWING OF THE MOTION PICTURE, WONDERS OF WASHINGTON

Mr. MUNDT. Mr. President, I should like to call the attention of the Senate to the fact that on Friday, April 19, at the Trans-Lux Theater, in Washington, D. C., there will be the premier public showing of a great documentary motion picture entitled "Wonders of Washington."

A number of weeks ago I had the privilege of seeing a preview of this motion picture; and I think that by all odds it is the greatest inspirational motion picture ever made of the National Capital, its environs, and its activities. I do not pose as an expert in the field of the cinema; but in support of that opinion of mine, I should like to read several paragraphs from a letter written by Mr. Eric Johnston, president of the Motion Picture Association of America. In his letter he states that:

A good many efforts have been made over the years to capture Washington * * * the Capital City * * * on film.

It has always proved a hard and elusive subject, for Washington is not just Government, or marble buildings, or the White House, or the Congress. It is all these things, to be sure, but there is another quality, an intangible quality, a thing of the heart and

the spirit and the imagination. When this quality is missing the Washington story cannot be complete.

Now, at last, you of Columbia have hit the bull's-eye right in the middle * * * with Wonders of Washington.

Mr. President, I think all of us who are so much a part of Government at the National Capital will enjoy seeing this unusually fine piece of photography and this great rendition of the activities in Washington, D. C.

INDICTMENTS AND CONVICTIONS OF EMPLOYEES AND FORMER EMPLOYEES OF THE INTERNAL REVENUE SERVICE, 1949 THROUGH 1956

Mr. WILLIAMS. Mr. President, today I wish to incorporate in the body of

the RECORD a report giving an itemized breakdown of the indictments and convictions of the employees and former employees of the Internal Revenue Service during the fiscal years 1949 through 1956.

This report is broken down both as to years and as to major offenses for which each was indicted, and shows that during this period 169 have been indicted for causes ranging from embezzlement, theft, bribery, extortion, et cetera, and of that number 125 have been convicted.

I ask unanimous consent to have the report incorporated in the RECORD at this point.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Employees or former employees of Internal Revenue Service indicted or convicted during fiscal years 1949 through 1956

Major offense for which indicted	1949		1950		1951		1952		1953		1954		1955		1956		Total	
	Indicted	Convicted	Indicted	Convicted	Indicted	Convicted	Indicted	Convicted	Indicted	Convicted	Indicted	Convicted	Indicted	Convicted	Indicted	Convicted	Indicted	Convicted
Embezzlement and theft.....	6	6	5	4	8	9	11	10	6	5	9	7	10	10	5	6	60	57
Bribery and graft.....	3	1	10	9	2	1	4	2	4	3	3	3	5	3	4	3	35	25
Conspiracy.....			1		1	1	6	1	8	5		4	5	1			25	12
Extortion and threats.....	1		1	1	1	1	2		3	1		3	1		2		11	6
Fraud and false statements.....					1	1		3	8	3	1	1	7	5	3	2	24	15
Tax evasion.....							1		1	1		1					2	2
Perjury.....									1	1	1		1	1	2	1	5	3
Claims and services in matters affecting Government.....							3	1		1							3	2
Postal violations.....													1	1			1	1
Forgery.....															1	1	1	1
Narcotics violations.....															1	1	1	1
Total.....	10	7	17	14	13	13	31	17	31	20	14	19	30	21	22	14	168	125
Indictment dismissed.....								1		1		3		2		4		11
Acquitted.....				2		1		3		2		3		3		5		19
Pending trial:																		
July 1, 1948.....																	1	
June 30, 1956.....																		14
Total.....																	169	169

ORDER FOR ADJOURNMENT TO TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until tomorrow, at 12 o'clock noon.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

EFFECT OF GOVERNMENTAL SPENDING AND TAXATION ON PRESERVATION OF OUR BASIC INSTITUTIONS

Mr. GOLDWATER. Mr. President, this intrusion upon the time and patience of the Senate is made with the greatest personal reluctance. Not only do I regret the nature of the subject which I propose to discuss, but also I hesitate to distract this body from its considerations of the pending business.

Yet, there is nothing of greater concern to all Americans than the preservation of their basic institutions in a sound and free economic climate; and without assurance of this protection, all our other labors are in vain. Indeed, it is my most sincere conviction that the whole future course of American liberty resides in our ultimate decision with

respect to the matter of governmental spending and taxation; and it is our decision, and no one else's as we seek to fulfill the confidence of the 170 million citizens of this country whom we have been elected to serve.

Let there be no misunderstanding, either, as to the political implications of my remarks. There are none. Just as I campaigned against waste, extravagance, high taxes, unbalanced budgets, and deficit spending in the recent Democratic administrations, so shall I also, if necessary, wage a battle of conscience and conviction against the same elements of fiscal irresponsibility in this Republican administration. In America we have no double standard of governmental soundness. What is bad under the leadership of one party cannot possibly be good under the leadership of the other.

It is, of course, with the deepest sorrow that I must pass such a judgment upon my own party. In most matters, the Republican record of the past 5 years has been exemplary. With little exception, we have remained true to the promises and pledges made in 1952. Until quite recently, I was personally satisfied that this administration was providing the responsible and realistic leadership so vital to the maintenance of a strong domestic economy which, in turn,

is a vital factor in maintaining world peace.

Now, however, I am not so sure. A \$71.8 billion budget not only shocks me, but it weakens my faith in the constant assurances we have received from this administration that its aim was to cut spending, balance the budget, reduce the national debt, cut taxes—in short, to live within our means and allow our citizens the maximum personal benefits from their economic endeavors.

Mr. President, the Republican Party is pledged by principle to strengthen the basic economy of this Nation by the achievement of these aims. To do otherwise constitutes a betrayal of the people's trust. Yet, here we have this abominably high budget request which is the epitome of inconsistency, when compared with statements made by me, by many of my colleagues in both Houses of the Congress, and by the President in 1952.

No faithful public servant, whether by personal philosophy or through fear of voter retaliation, would dare to subscribe to such a breach of confidence. I for one, have always feared these political spending sprees because I have never believed that our people were fundamentally receptive to the idea of government by bribe. It is true that after 20 years of New Deal-Fair Deal

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 10, 1957
For actions of April 9, 1957
85th-1st, No. 62

CONTENTS

Animal disease.....4	Flood control.....3	Personnel.....22
Area development.....5	Food additives.....23	Plants.....12
Appropriations.....1	Foreign aid.....17	Price supports.....21
Assistant Secretary.....13	Forestry.....1,15	Public Law 480.....27
Budget.....16	Grain.....20	Public works.....8
Corn.....7	Humane slaughter.....6	Reclamation.....29
Cotton.....26	Lands.....11	Reports.....25,26
Dairy.....24	Legislative program.....15	Research.....7,12
Economy.....14	Livestock.....4	St. Lawrence Seaway.....20
Electrification.....9	Management.....1	Statehood.....19
Expenditures.....10	Marketing.....24	Taxation.....18,22
Experiment station.....15	Newsprint.....15	Trade, foreign.....2
Farm program.....28	Organization.....1	Weather control.....1
Fisheries.....27	Peanuts.....25	

HIGHLIGHTS: Senate debated corn bill. Reps. Coad, Knutson, and McGovern urged passage of corn legislation, and criticized USDA position on corn and price supports. House passed Commerce appropriation bill.

HOUSE

1. APPROPRIATIONS. Passed with amendments H.R. 6700, the Commerce and related agencies appropriation bill for 1958 (pp. 4791-4816). Agreed to an amendment by Rep. Gross providing that no part of the funds may be used for payment of experts, consultants, or management engineering firms for the performance of organization and management services unless such services are specifically authorized by law (pp. 4809-10).

As passed, the bill provides \$25,000,000 for forest highways and \$3,250,000 for initial preparations for the 1960 decennial census of population, housing, and agriculture.

The Committee report on the bill (see Digest 60) contains the following statements: "The Secretary of Commerce has stated on several occasions that this is one of the programs /forest highways/ that might be safely curtailed. Accordingly, the Committee has reduced the amount proposed in the budget for 1958"... "The entire budget estimate of \$310,000 /for the Advisory Committee on Weather Control/ has been eliminated from the bill for fiscal year 1958. The Committee feels that final reports should be rendered and the agency completely liquidated by June 30, 1957."

2. FOREIGN TRADE. Passed with amendment H.R. 4136, to extend until June 30, 1963 the operating authority of the Export-Import Bank of Washington. pp. 4816-22
3. FLOOD CONTROL. The Public Works Committee reported without amendment H.R. 6092, granting the consent and approval of Congress to the Merrimack River flood-control compact (H. Rept. 334). p. 4828
4. LIVESTOCK. Both Houses received a Calif. Legislature memorial favoring the construction, operation, and maintenance of the international boundary fence between Mexico and the U.S. to prevent the entrance of diseased livestock. p. 4829
5. AREA REDEVELOPMENT. Received a Minn. Legislature memorial favoring the enactment of the area redevelopment bill (S. 964). p. 4829
6. HUMANE SLAUGHTER. Received a local Penna. citizens petition urging the passage of legislation to require compulsory humane slaughter of animals in slaughterhouses in the U.S. p. 4829

SENATE

7. CORN. ~~Continued~~ ^{DEBATE} debate on S. 1771, to provide for a 1957 corn base acreage of 51 million acres, require participation in the acreage reserve program of conservation reserve of an acreage equal to 15% of the corn base acreage for those entering the program, raise the 1957 support level for corn outside the commercial area to 82½% of the commercial level, repeal the law requiring 70% supports for corn outside the commercial area if noncompliers were supported, and require a study and report on a feed grain program for 1958 from the Secretary not later than June 1, 1957. (pp. 4763-88).
Sen. Curtis discussed new uses for agricultural products developed through research and inserted a biographical sketch of the members of the Commission on Increased Industrial Use of Agricultural Products, a list of the task groups working with it, and a speech by Chairman Welsh (pp. 4763-9). Sen. Humphrey discussed provisions of the bill and its effects with other Senators, and inserted articles and letters on the bill (pp. 4769-83), (4784-8).
8. PUBLIC WORKS. Sen. Neuberger chided Sen. Goldwater for criticizing the budget while he supported the upper Colorado River project, and stated: "Economy speeches should be directed to budget cuts or economies in a Senator's own State or region." p. 4783
9. ELECTRIFICATION. Sen. Neuberger inserted an article, "Public Versus Private Power Battles Shaping Up for 1958." pp. 4783-4
10. EXPENDITURES. Sen. Byrd inserted the report of the Joint Committee on Reduction of Nonessential Federal Expenditures on Federal employment and pay for Feb. 1957. pp. 4746-9
11. LANDS. Both Houses received from the Interior Department a proposed bill "To facilitate the administration of public lands"; to the Interior and Insular Affairs Committees. pp. 4744, 4828
Sen. Humphrey inserted a letter from Minn. Conservation Commissioner Selke urging his support of H.R. 3121, permitting conveyance of lands to States for recreational purposes. p. 4745
12. PLANT RESEARCH. Sen. Humphrey inserted a Minn. Legislature resolution urging an enlarged program of rust control and plant research. p. 4745

After a little delay, Mr. AIKEN, Mr. BARRETT, Mr. BEALL, Mr. BENNETT, Mr. BLAKLEY, Mr. BRICKER, Mr. BRIDGES, Mr. BUTLER, Mr. BYRD, Mr. CAPEHART, Mr. CARLSON, Mr. CASE of South Dakota, Mr. CHAVEZ, Mr. COTTON, Mr. CURTIS, Mr. DIRKSEN, Mr. DOUGLAS, Mr. DWORSHAK, Mr. FLANDERS, Mr. FULBRIGHT, Mr. GOLDWATER, Mr. GREEN, Mr. HAYDEN, Mr. HICKENLOOPER, Mr. HRUSKA, Mr. IVES, Mr. JACKSON, Mr. JENNER, Mr. KERR, Mr. KNOWLAND, Mr. KUCHEL, Mr. LONG, Mr. MALONE, Mr. MANSFIELD, Mr. MARTIN of Iowa, Mr. MARTIN of Pennsylvania, Mr. MCCARTHY, Mr. MORTON, Mr. MUNDT, Mr. NEUBERGER, Mr. O'MAHONEY, Mr. POTTER, Mr. REVERCOMB, Mr. RUSSELL, Mr. SALTONSTALL, Mr. SCHOEPPPEL, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, Mr. SYMINGTON, Mr. THYE, Mr. WILLIAMS, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER (Mr. CLARK in the chair). A quorum is present. Under the rule, the unfinished business does not automatically come before the Senate until 2 o'clock. If there be no objection, however, the Chair will lay before the Senate the unfinished business at this time. Is there objection? The Chair hears none, and the Chair lays before the Senate the unfinished business.

CORN BASE ACREAGE FOR 1957

The Senate resumed the consideration of the bill (S. 1771) to provide for a 1957 corn base acreage of 51 million acres, and for other purposes.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. CURTIS. Mr. President, the pending bill, to increase the corn acreage, has a great deal of support throughout the Corn Belt.

However, the point I wish to stress is that not only among corn farmers but among farmers of all types there is a strong desire to have the right and opportunity to plant more. Farmers wish to raise more of every commodity. It matters not whether we are talking about cotton or corn or wheat or some other farm crop, the desire to produce more is there. It is a perfectly natural desire. Everyone likes to succeed in his business. He likes to increase his production. Furthermore, the farmer today is faced with the obligation to pay such heavy costs of operation that he is compelled to produce everything he can in order to stay in business and remain solvent.

NEW USES AND NEW MARKETS FOR FARM PRODUCTS

Mr. President, that is why I believe the time is not only here but perhaps past due when we must turn our attention to new uses and new markets for the products of our farms.

There has been considerable agricultural research in recent years. By and large the bulk of that research has been focused on how to produce more. The talent in our scientific world has been called upon to help increase production. The time is at hand when an equal amount of talent—yes; more talent—must be put to work to find new uses for our agricultural products. We are plagued not only with surpluses, but

we face continuing surpluses. I realize that there are those in Washington who, with the best of intentions—and I respect their opinion—have the feeling that the problem of surpluses is something that can be solved, and that once it is solved it is solved for all time to come. While I respect their opinion, I do not share it.

I believe that we have not yet scratched the surface of our productive capacity. New methods, improved machinery, better use of the soil, and better fertilizer make it possible for American agriculture to produce far beyond what is needed for human and animal food.

Yet as we continue to produce surpluses we must also bear in mind that our efforts up to date to control them have not met with any great degree of success. The Department of Agriculture goes into a commercial corn area and compels a farmer to reduce his producing acres very drastically. Then off in some far remote place, a farmer who has been denied the right to plant all the cotton he wants to plant, plants corn. So the surplus of corn that we tried to prevent in one place springs up in another place.

The western area of my State of Nebraska produces a very fine quality of wheat. It is an area intended for the raising of the finest wheat. Yet when the farmers there are forced to reduce their wheat acreage, it does not solve the problem of surpluses. Someone in a far-removed place, because he cannot plant as much corn as he wants to plant, plants a few acres of wheat, and the surplus problem remains unaffected.

We reduce the corn acreage only to invite a greater production of sorghums of all kinds.

The surplus problem has not been solved by controlled acreage. It may be said that the system of paying farmers to take land out of production will solve the problem. If that be true, I predict it will take a tremendous amount of money year after year, indeed it will take perhaps a greater amount of money than the taxpayers of the country will choose to pay. I say that because if we are materially to reduce surpluses by taking land out of production, we will have to pay enough to take out the very best producing land, and we will have to take out millions of acres. At the best, such a system is a solution of the problem of surpluses only to the extent appropriations are made. When they are discontinued, the problem reappears.

With those considerations in mind, I have directed my attention for some time to a program of using the products of our farms in industry. The opportunities are unlimited, but such activities are in the nature of infant industries. They are entitled not only to encouragement, but to help. Throughout the history of the Republic some of the greatest industries have been developed because the Government of the United States took cognizance of the need for such industries, and adopted policies and procedures which enabled them to evolve.

The Agricultural Act of 1956 established a bipartisan Commission on Increased Industrial Uses of Agricultural

Products. There are five members of the Commission, who were appointed by the President, and whose nominations were confirmed by the Senate. The duty of the Commission, as prescribed by Congress, is "to prepare and present to Congress, not later than June 15, 1957, the necessary recommendations which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products."

It is not my purpose at this time to discuss in detail any one of the uses; but in passing I may say that at present in the United States more synthetic rubber is being used than natural rubber. During World War II synthetic rubber made from agricultural products was put to extensive use. Today that is not being done; instead, millions and millions of dollars are being spent in an attempt to control surpluses. The surpluses are still mounting, and more millions of dollars are being paid for storage. Money is being lost because of the deterioration of grain, and millions of dollars are being paid in order to subsidize exports.

Is it not time that our attention was turned to a permanent solution? I do not suggest that expenditures be increased; I suggest that certain expenditures be changed, and that a part of the money be used to develop and assist infant industries, that is, industries which are interested in following the line of production I have suggested. The program should be planned so that everything will be done under our system of private enterprise.

The Commission on Increased Industrial Use of Agricultural Products is a temporary body, and will cease to exist after June 15. The members of the Commission are:

Mr. James Leroy Welsh, of Omaha, chairman. Mr. Welsh is a grain dealer and a nationally known farm leader in the field of chemistry.

Dr. Karl D. Butler, farm counselor for the Avco Corp.

Mr. George H. Coppers, president of the National Biscuit Co.

Dr. Charles R. Sayre, manager of Delta and Pine Land Co.

Dr. Frank J. Welch, dean of the Kentucky College of Agriculture.

The executive director of the Commission is Mr. Wheeler McMillen, vice president of the Farm Journal, and a nationally known agriculturist.

These able, open-minded, and devoted men has been engaged vigorously during the past several months in fulfilling their assignment.

I might mention also that Dr. G. E. Hilbert is the research director, and that Dr. S. R. Hoover is his assistant.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a biographical sketch of each of the members of the Commission and also the executive director of the Commission.

There being no objection, the sketches were ordered to be printed in the RECORD, as follows:

MR. JAMES LEROY WELSH, CHAIRMAN

Mr. Welsh was born December 1889, at Prairie Home, Nebr. He is president of Butler-Welsh Grain Co., Omaha, Nebr., and is active in all programs to advance the sound economy of the State. He is a regent of the University of Nebraska; member of the board of directors of South-West Research Institute of San Antonio, Tex., Mid-West Research Institute of Kansas City, Union Stock Yards of Omaha, Omaha National Bank, Mutual Benefit, Health and Accident Association; former president of the National Grain and Feed Dealers Association, and of the Omaha Grain Exchange.

He has been an outstanding leader for many years in support of research on industrial use of farm products, the activity to which he has given unstintingly of his services. He has rendered distinguished service as a regent of the University of Nebraska.

DR. KARL D. BUTLER

Dr. Butler was born in Douglas, Ariz., February 4, 1910, received a bachelor of science degree and master of science degree at the University of Arizona, studied further at Iowa State College and Cornell. He received his doctor of philosophy degree in plant science from the latter in 1940. He carried out research in Forest Service and the Bureau of Plant Industry of USDA during his graduate training and in 1943 resigned to become director of research in agricultural chemistry of the Co-op Grange League Federation Exchange, Inc. He was president of the American Institute of Cooperation in Washington 1947-50 and since then has been farm counselor for the AVCO Corp.¹

Dr. Butler's extensive background in science and his valuable work with farm cooperatives and in industry have fitted him excellently for this service with the Commission.

MR. GEORGE H. COPPERS

Mr. Coppens was born November 29, 1902, in New York City. He was a student at Pace Institute of Accountancy and Business Administration, New York, N. Y., finishing with an bachelor of laws cum laude and attended Fordham University in 1929. He was admitted to the bar of New York State in 1930. He entered the employ of the National Biscuit Co. in 1920. His successive promotions with this company included the positions of clerk, accountant, law clerk, assistant general counsel, general counsel, president and director (since 1945). He is director and trustee of numerous corporations and has served ably in many charitable and civic endeavors. He is president of the chamber of commerce in New York State, vice president and director of the Biscuit and Cracker Manufacturers Association of America and the grocery manufacturers, a governor of the American Bakers Association and director of the Society of Business Advisory Professions, Inc.

Mr. Coppens brings to the Commission his extensive knowledge of the food industry and a deep understanding of the dynamics of American business.

DR. CHARLES R. SAYRE

Dr. Sayre is president and general manager of Delta & Pine Land Co., large growers of cotton at Scott, Miss. He was born at Chrisman, Ill., May 1914. He graduated from the University of Illinois and received his doctor of philosophy in agricultural economics from Harvard University. Before becoming affiliated with the Delta & Pine Land Co., Dr. Sayre held the following positions: farm management special-

ist, Bureau of Agricultural Economics; superintendent of the Delta branch station, Stoneville, Miss.; research director, Delta Council, Stoneville, Miss.; and head of cotton division, BPISAE, Beltsville, Md. He is very active in affairs related to cotton production, is chairman of the production and marketing committee of the National Cotton Council, and is chairman of the council's cotton quality research committee. Through his work with these committees and in other ways he has continued to maintain an active interest in cotton research.

He was a member of the cotton and cottonseed advisory committee for several years and is now on the agricultural research policy committee of the USDA. Dr. Sayre's combination of science, economics, and practical experience in agriculture is almost unique, and has been extremely valuable to the Commission.

DR. FRANK J. WELCH

Dr. Welch was born in Winfield, Tex., on August 1902. He was educated at the University of Mississippi, the University of Colorado, and received his doctor of philosophy in agricultural economics at the University of Wisconsin. He has held successively important positions as educator, economist, and administrator. After serving as head of the Department of Economics and Sociology at Mississippi State College, he was appointed dean of the school of agriculture in 1946 and director of the experiment station in 1948. Dr. Welch went to Kentucky in 1951 and is at present dean of the College of Agriculture at the Experiment Station in Lexington. He is a director of the Federal Reserve Bank of Cleveland and a number of corporations. Dr. Welch served as chairman of the central steering committee of the Southern Regional Technical Committee, the Editorial Council of the Journal of Farm Economics, and has been economic adviser to the National Cotton Council. Dr. Welch contributed his keen knowledge of agricultural research and his understanding of the economics of farm problems as well as business problems.

MR. WHEELER McMILLEN, EXECUTIVE DIRECTOR

Mr. McMillen was born January 27, 1893, in Ada, Ohio. He studied at Ohio Northern University, which conferred upon him an honorary doctor of laws in 1940. He was a reporter with the Cincinnati Post in 1912; owner of the Covington Republican 1914-18; farmed in Hardin County, Ohio, 1918-22; associate editor of the Country Home (formerly Farm and Fireside) 1922-34; editor 1934-37, editorial director 1937-39; editor-in-chief of Farm Journal, 1939-55; and has been vice president and director of Farm Journal, Inc., since 1955. He is director of major corporations and has led the Council for Agricultural and Chemurgic Research (formerly the National Farm Chemurgic Council) for over 20 years. He is president of the American Association of Agricultural Editors and has been given special citations from National 4-H Clubs and the Future Farmers Association for his keen interest and service to youth. He is chairman of the Rural Scouting Committee of the Boy Scouts of America, and director of the Audubon Society.

Mr. McMillen has truly been a missionary in the cause of agricultural research, particularly that aimed at extending industrial uses for farm products. His keen knowledge of the subject and his noted gift as a writer have been a key part in the studies of the Commission and the report which it is preparing.

Mr. CURTIS. Mr. President, since its appointment in July 1956, the Commission has held more than 20 meetings. It has met with President Eisenhower, with

Members of Congress, with top Government officials in the Departments of Agriculture, Commerce, and Defense, and with representatives of farm organizations, land grant colleges, and the agricultural processing industries.

The Commission has solicited suggestions and has sought counsel from various groups concerning the expanded industrial use of agricultural products. The Commission has been interested in obtaining information on, first, incentives which would encourage industry to undertake greater research and intensified developmental work in the field of agricultural products; second, in developments which are worthy of trial commercialization—that is, developments which need to be translated from the laboratory to a commercial scale; and third, areas of research which need to be attacked to develop new outlets for the products of agriculture.

Sixteen task groups were set up by the Commission to develop and appraise ideas for the Commission to consider. The groups were organized to bring together the leading technical and industrial representatives in the various fields. Some of the task groups have been built around commodities, such as cotton, hides, skins, wool and mohair, dairy products, poultry products, sugar, white potatoes, and other commodities.

Three distinct groups were concerned with different industrial phases of grain consumption. One was confined to the wet milling of corn and sorghum, of which starch and corn sugar are the basic products. Another group worked upon industrial uses for grain other than alcohol. A third group dealt with the various uses for industrial alcohol made from grain.

Other task groups were built around products produced from agricultural commodities. For example, one group dealt with oilseeds and animal fats, with soybean, linseed, cottonseed, and other vegetable oils, and with lard, tallow, and inedible fats, all of which frequently compete in the same market.

A task group on new crops was also set up. This task group gave consideration to the development of new crops which would be noncompetitive with crops already being produced in this country and which could be grown on acres taken out of production to reduce the size of the surplus problem. Castor bean, safflower seed, and timber bamboo have great promise as replacement crops.

Mr. President, literally thousands of plants can be grown on this earth. Yet we continue to confine our production to the relatively small number of crops which are used for food. We need to produce the crops which can be used to fill industrial needs. We need greater production in that area.

The 16 task groups have called to their service a large number of outstanding and distinguished persons to assist in their work. Each task group was headed by an able and devoted chairman. Mr. President, I ask unanimous consent that at this point in my remarks there may be printed in the RECORD a list of the task groups on industrial uses,

¹ Dr. Butler has been active in various farm organizations and serves as Secretary of the National Institute of Animal Agriculture.

which includes the names of the persons serving, as well as a brief identification of each.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

TASK GROUP ON AGRICULTURAL RESIDUES

Dr. Roy L. Whistler, chairman, assistant head, department of biochemistry, College of Agriculture, Purdue University, Lafayette, Ind.; Mr. Harold J. Anderson, president, Anderson Truck Terminal, Maumee, Ohio; Dr. Joseph E. Atchison, vice president, Parsons & Whittemore, 250 Park Avenue, New York, N. Y.; Mr. R. F. Burns (alternate—Mr. E. R. Carpenter), vice president in charge of production, Weston Paper Mfg. Co., Terre Haute, Ind.; Mr. Oliver W. Cass, assistant laboratory manager, E. I. du Pont de Nemours & Co., Inc., Niagara Falls, N. Y.; Dr. H. R. Duffy, vice president, manager, head, chemical division, Quaker Oats Co., 345 Merchandise Mart, Chicago, Ill.; Dr. Herbert J. Dutton, head, forage and agricultural residues section, Northern Utilization Research and Development Division, 1815 North University Street, Peoria, Ill.; Mr. Charles Gray, manager, Insulation Board Institute, 111 West Washington Street, Chicago, Ill.; Mr. John MacMillan, president, Cargill, Inc., Minneapolis, Minn.; Mr. M. W. Swaim, first vice president and general manager, Alton Box Board Co., Alton, Ill.

CORN WET-MILLING TASK GROUP

Mr. Floyd J. Hoskins, chairman, executive vice president and treasurer, Corn Industries Research Foundation, Inc., 1001 Connecticut Avenue NW., Washington, D. C.; Dr. James W. Evans, director of research, American Maize-Products Co., Roby, Ind.; Mr. Frank K. Greenwall, president, National Starch Products, Inc., 270 Madison Avenue, New York, N. Y.; Dr. R. M. Hixon, dean, Graduate School, Iowa State College, Ames, Iowa; Mr. Norman F. Kennedy, director of research, Corn Industries Research Foundation, Inc., 270 Park Avenue, New York, N. Y.; Dr. Robert G. Ruark, vice president, research, Corn Products Refining Co., 17 Battery Place, New York, N. Y.; Dr. Frederick R. Senti, head, cereal crops section, Northern Utilization Research and Development Division, USDA, 1815 North University Street, Peoria, Ill.; Dr. J. M. Widmer, president, Penick & Ford, Ltd., Inc., 420 Lexington Avenue, New York, N. Y.

COTTON TASK GROUP

Dr. M. Earl Heard, chairman; vice president in charge of research, West Point Manufacturing Co., Shawmut, Ala.; Mr. William Rhea Blake, executive vice president, National Cotton Council, Memphis, Tenn.; Dr. Charles H. Fisher, director, Southern Utilization Research and Development Division, New Orleans, La.; Mr. Otto Goedecke, president, Otto Goedecke Co., Hallettsville, Tex.; Mr. Russell Kennedy, Calcot, Ltd., Bakersfield, Calif.; Mr. Walter Regnery, Joanna Mills, Joanna, S. C.

INDUSTRIAL ALCOHOL FROM GRAIN TASK GROUP

Dr. R. T. Milner, chairman, head, department of food technology, 213 Mumford Hall, University of Illinois, Urbana, Ill.; Dr. James Faucett, director of manufacturing and engineering, Takamine Division, Miles Laboratories, Inc., Passaic, N. J.; Mr. J. L. Gunson, secretary and treasurer, Publicker Industries, 1429 Walnut Street, Philadelphia, Pa.; Mr. Julius Hendel (retired, Cargill, Inc.), Suite 309, 1750 Hennepin Avenue, Minneapolis, Minn.; Mr. Cecil A. Johnson (lawyer), 1210 Douglas Street, Omaha, Nebr.; Mr. John Livingston (consultant, chemical industries), P. O. Box E, Manhasset, N. Y.; Mr. Ed. S. Monahan, president, Schenley Distillers, Inc., 26 East Sixth Street, Cincinnati, Ohio; Mr. William B. Plummer (consultant), 60 East

42d Street, New York, N. Y.; Mr. James A. Reid, director of research, Phillips Petroleum Corp., Bartlesville, Okla.; Mr. George W. Rigby, E. I. du Pont de Nemours Co., Inc., Du Pont Building, Wilmington, Del.; Dr. Carl E. Rist, assistant director, Northern Utilization Research and Development Division, Peoria, Ill.; Mr. Earl D. Unger, Joseph E. Seagram & Sons, Inc., Louisville, Ky.

INDUSTRIAL USES FOR GRAIN (OTHER THAN ALCOHOL) TASK GROUP

Mr. T. S. Carswell, chairman, vice president, Commercial Solvents Corp., 260 Madison Avenue, New York, N. Y.; Mr. H. A. Bonyun, vice president, sales, Publicker Industries, 1429 Walnut Street, Philadelphia, Pa.; Dr. R. E. Chaddock, director of development, Hercules Powder Co., Inc., Wilmington, Del.; Dr. Homer R. Duffey, vice president, The Quaker Oats Co., Merchandise Mart Plaza, Chicago 54, Ill.; Mr. R. E. Fiedler, development department manager, agricultural products, Archer-Daniels-Midland Co., 700 Investors Building, Minneapolis, Minn.; Dr. W. Dayton MacLay, director, Northern Utilization Research & Development Division, USDA, 1815 North University Street, Peoria, Ill.; Dr. Ralph H. Manley, managing director of research, General Mills, Inc., 400 Second Avenue South, Minneapolis, Minn.; Mr. Erwin A. Olson, administrative vice president, Archer-Daniels-Midland Co., 700 Investors Building, Minneapolis, Minn.; Mr. Frank J. Prochaska, vice president, Grain Processing Corp., Muscatine, Iowa; Mr. Willis G. Sullivan, president, Charles A. Krause Milling Co., Milwaukee, Wis.; Mr. Robert B. Taylor, administrator, Oregon Wheat Commission, United States National Bond Building, Pendleton, Oreg.; Dr. E. R. Weyer, assistant to vice president, Charles Pfizer & Co., Inc., 11 Bartlett Street, Brooklyn, N. Y.; Mr. D. E. Wilcox, Huron Milling Division, Hercules Powder Co., Royal Oak, Mich.

DAIRY PRODUCTS TASK GROUP

Dr. Byron H. Webb, chairman, director of research, National Dairy Research Laboratories, Inc., Oakdale, Long Island, N. Y.; Dr. B. W. Fairbanks, director, American Dry Milk Institute, Inc., 221 North La Salle Street, Chicago, Ill.; Dr. E. W. Gaumnitz, executive secretary, National Cheese Institute, Inc., 110 North Franklin Street, Chicago, Ill.; Dr. T. D. Harman, assistant professor, department of dairy technology, Ohio State University, Columbus, Ohio; Mr. Claude Harper, Jr., director, butter quality control, Beatrice Foods Co., 1526 South State Street, Chicago, Ill.; Mr. E. J. Mather (retired), director, Southern Dairies, Washington, D. C.; Mr. E. M. Norton, executive secretary, National Milk Producers Federation, Washington, D. C.; Dr. H. K. Salzberg, chemical division, Borden Co., Bainbridge, N. Y.; Mr. R. S. Waltz, president, Consolidated Dairy Products Co., 635 Elliott Avenue West, Seattle, Wash.; Mr. K. W. Ward, president, western condensing division, Foremost Dairies, Inc., Appleton, Wis.; Dr. P. A. Wells, director, Eastern Utilization Research and Development Division, USDA, 600 East Mermaid Lane, Philadelphia, Pa.; Mr. Don H. Williams, technical director, International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D. C.

TASK GROUP ON FOREST PRODUCTS

Mr. Paul M. Dunn, chairman, technical director of forestry, St. Regis Paper Co., 230 Park Avenue, New York, N. Y.; Mr. Ralph M. Bescher, assistant to general manager, wood preserving division, Koppers Co., Pittsburgh, Pa.; Mr. Harold R. Evans, executive director, Plywood Research Foundation, Tacoma, Wash.; Dr. J. A. Hall, director, Forest Products Laboratory, Madison, Wis.; Dr. E. S. Harrar, acting dean, School of Forestry, Duke University, Durham, N. C.; Mr. Clark C. Heritage, consulting engineer, Jones Building, Tacoma,

Wash.; Mr. Harley Langdale, Jr., president, the Langdale Co., Post Office Box 980, Valdosta, Ga.; Mr. S. M. Nickey, Jr., vice president, Nickey Bros., Inc., 2700 Summer Avenue, Memphis, Tenn.

FRUITS, VEGETABLES, AND TREE NUTS TASK GROUP

Mr. H. C. Diehl, chairman, director, and secretary, the Refrigeration Research Foundation, 12 North Meade Avenue, Colorado Springs, Colo.; Mr. Willard E. Baier, manager, research department, Sunkist Growers, 616 East Sunkist Street, Ontario, Calif.; Mr. Joe Cannon, Jr., past president, Federated Pecan Growers' Association of the United States, Cordele, Ga.; Mr. LeRoy Childs, president, Apple Growers Association, Hood River, Oreg.; Dr. M. J. Copley, director, Western Utilization Research and Development Division, United States Department of Agriculture, 800 Buchanan Street, Albany, Calif.; Mr. Joffre C. David, general manager, Florida Fruit and Vegetable Association, Orlando, Fla.; Mr. Maurice Doan, secretary, Michigan Bean Shippers Association, Eddy Building, Saginaw, Mich.; Mr. Carlos A. Greenleaf, associate director of research, National Canners Association, 1133 20th Street NW., Washington, D. C.; Mr. Walter K. Hines, general manager, Sun-Maid Raisin Growers, 2902 Hamilton Street, Fresno, Calif.; Mr. F. Gilbert Lamb, president, National Association of Frozen Food Packers (also president, Lamb-Weston, Inc., Weston, Oreg.), 1415 K Street NW., Washington, D. C.; Dr. Arthur N. Prater, president, Gentry division, Consolidated Foods Corp., 837 North Spring Street, Los Angeles, Calif.; Mr. A. J. Rogers, general manager, Cherry Growers, Inc., 709-715 East Front Street, Traverse City, Mich.; Mr. Robert W. Rutledge (alternate, Mr. Herman Steele), general manager, Florida Citrus Mutual, Lakeland, Fla.; Mr. D. M. Swarthout, director of research, Diamond Walnut Growers, Inc., Stockton, Calif.; Mr. A. E. Thorpe, executive vice president, Dried Fruit Association of California, 1 Drumm Street, San Francisco, Calif.

HIDES, SKINS, AND ANIMAL BYPRODUCTS TASK GROUP

Mr. R. H. Richards, chairman, vice president, International Shoe Co., 1509 Washington Avenue, St. Louis, Mo.; Mr. Don C. Collins (alternate, Mr. Radford Hall), president, American National Cattlemen's Association, Kit Carson, Colo.; Dr. V. Conquest, vice president, Research Division, Armour & Co., Chicago, Ill.; Mr. R. D. Cottam, assistant to general sales manager, A. C. Lawrence Leather Co., Sawyer Street, Peabody, Mass.; Mr. Merle A. Delph, president, M. A. Delph Co., Indianapolis, Ind.; Mr. Edward J. Gesick, vice president and secretary, Southwest Research Institute, 8500 Culebra Road, San Antonio, Tex.; Mr. Charles W. Mann, Head, Leather Section Headquarters, Quartermaster Research and Development Command, Natick, Mass.; Dr. Joseph Naghski, Head, Hides, Leather, and Tanning Materials Section, United States Department of Agriculture, Eastern Utilization Research and Development Division, 600 East Mermaid Lane, Philadelphia, Pa.; Dr. Fred O'Flaherty, director, Tanners' Council Research Laboratory, University of Cincinnati, Cincinnati, Ohio; Mr. Julius G. Schnitzer, Director, Leather, Shoes, and Allied Products Division, Business and Defense Services Administration, room 4524, United States Department of Commerce, Washington, D. C., Code 164, Extension 3585.

NEW AND SPECIAL CROPS TASK GROUP

Dr. R. D. Lewis, chairman, director, Texas Agricultural Experiment Station, College Station, Tex.; Dr. C. E. Claassen, president, Pacific Oilseeds Co., 97 West Main Street, Woodland, Calif.; Dr. Henry L. Cox, 6910

Oglesby Avenue, Chicago 49, Ill.; Dr. C. O. Erlanson, head, Plant Introduction Section, Plant Industry Station, ARS, USDA, Beltsville, Md.; Dr. Quentin Jones, Plant Introduction Section, Plant Industry Station, ARS, USDA, Beltsville, Md.; Dr. H. H. Kramer, professor of agronomy and genetics, Department of Agronomy, Purdue University, Lafayette, Ind.; Dr. H. B. MacPhillamy, CIBA, Pharmaceutical Products, Inc., Summit, N. J.; Dr. A. H. Moseman, associate director, agriculture division, Rockefeller Foundation, 49 West 49th Street, New York, N. Y.; Dr. Floyd L. Winter, Associated Seed Growers, Inc., New Haven, Conn.; Dr. Ivan A. Wolff, Cereal Crops Section, Northern Utilization Research and Development Division, USDA, 1815 North University St., Peoria, Ill.

TASK GROUP ON OILSEED AND ANIMAL FATS

Mr. James C. Konen, chairman, vice president in charge of research, Archer-Daniels-Midland Co., 700 Investors Building, Minneapolis, Minn.; Dr. Waldo C. Auit, head, animal fats section, Eastern Utilization Research and Development Division, 600 East Mermaid Lane, Philadelphia, Pa.; Mr. Harry S. Baker, president, National Cottonseed Processors Association, Producers Cotton Oil Co., Fresno, Calif.; Mr. Marshall Ballard, Jr., president, American Tung Oil Association, Lumberton, Miss.; Mr. Don S. Bolley, technical director, Baker Castor Oil Co., 40 Avenue A, Bayonne, N. J.; Mr. John J. Hamel, Jr., executive director, National Renderers Association, 30 North La Salle Street, Chicago, Ill.; Mr. Wesley Hardenburgh, president, American Meat Institute, 59 East Van Buren Street, Chicago, Ill.; Mr. Willard Lighter, vice president, chemistry division, Glidden Co., 1825 North Laramie Avenue, Chicago, Ill.; Mr. George L. Prichard, National Flaxseed Processors Association (executive secretary), National Soybean Processors Association (Washington representative), 1017 National Press Building, Washington, D. C.; Mr. Sydney C. Reagan, general counsel, Southwestern Peanut Shellers Association, 3840 Greenbrier, Dallas, Tex.; Dr. Herbert E. Robinson, director of laboratories, Swift & Co., Chicago, Ill.; Mr. Robert Van Tuyle, vice president in charge of manufacturing and research, Emery Industries, 4300 Carew Tower, Cincinnati, Ohio.

POULTRY PRODUCTS TASK GROUP

Dr. Cliff D. Carpenter, chairman, president, Institute of American Poultry Industries, 221 North La Salle Street, Chicago, Ill.; Mr. H. H. Alp, commodity director, American Farm Bureau Federation, Merchandise Mart, Chicago, Ill.; Mr. Max Ballas, president, Ballas Egg Products Corp., 71 Hudson Street, New York, N. Y.; Dr. R. M. Bethke, vice president, Ralston Purina Co., 835 South Eighth Street, St. Louis, Mo.; Dr. A. Wade Brant, head, Poultry Section, Animal and Poultry Husbandry Research Branch, USDA, Beltsville, Md.; Mr. C. O. Cummings, manager, by-products division, J. D. Jewell, Inc., 322 Maple Street, Gainesville, Ga.; Dr. E. M. Funk, head, poultry department, University of Missouri, Columbia, Mo.; Dr. M. F. Gunderson, director of research and quality control for frozen foods, C. A. Swanson & Sons, 1202 Douglas Street, Omaha, Nebr.; Dr. John Hammond, vice president in charge of research, O. A. Newton & Sons Co., Bridgeville, Del.; Dr. Carl H. Koonz, associate director of research, Swift & Co., Union Stock Yards, Chicago, Ill.; Dr. Hans Lineweaver, Head, Poultry Products Section, Western Utilization Research and Development Division, United States Department of Agriculture, 800 Buchanan Avenue, Albany, Calif.; Mr. Edward W. Priebe, Jr., Kraft Foods Co., 500 North Pestigo Court, Chicago, Ill.; Mr. Vic Pringle, assistant manager, Rockingham Poultry Marketing Cooperative, Inc., Broadway, Va.; Mr. A. Barde Rogers, Armour & Co., Union Stock Yards, Chicago, Ill.; Dr. Harry M. Slosberg, vice president, Henningsen, Inc., 347 Madison Avenue,

New York, N. Y.; Dr. George F. Stewart, head, poultry department, University of California, Davis, Calif.; Dr. Harry W. Titus, technical counselor, Limestone Products, Newton, N. J.

RICE TASK GROUP

Mr. Marshall Leahy, cochairman, vice president, Farmers Rice Growers Cooperative, 1258 Russ Building, San Francisco, Calif.; Mr. W. M. Reid, cochairman, president, the Rice Millers' Association, 1308 National Bank of Commerce Building, New Orleans, La.; Dr. Aaron A. Aitschul, Southern Utilization Research and Development Division, United States Department of Agriculture, 2100 Robert E. Lee Boulevard, New Orleans, La.; Mr. L. C. Carter, general manager, Arkansas Rice Growers' Association, Stuttgart, Ark.; Mr. R. E. Derby, president, Converted Rice, Inc., box 1752, Houston, Tex.; Mr. W. J. Duffy, Jr., rice grower (member, Rice Growers' Association of California), Woodland, Calif.; Mr. James P. Gaines, the Rice Millers' Association, 1308 National Bank of Commerce Building, New Orleans, La.; Mr. Glen R. Harris, rice grower (member, Rice Growers' Association of California), Richvale, Calif.; Mr. Bernard C. Hemmer, president, River Brand Rice Mills, Inc., box 2636, Houston, Tex.; Dr. George Kohler, Western Utilization Research and Development Division, United States Department of Agriculture, 800 Buchanan Street, Albany, Calif.; Mr. L. A. Villeret, president, Comet Rice Mills, Houston, Tex.

SUGAR TASK GROUP

Mr. Ernest W. Greene, chairman, National Savings and Trust Co., 15th Street and New York Avenue NW., Washington, D. C.; Mr. H. Malcolm Baldrige, vice president and counsel, the United States Cane Sugar Refiners Association, 1001 Connecticut Avenue NW., Washington, D. C.; Mr. Harry Clark, chairman, Beet Sugar Industry Policy Committee, Greeley, Colo.; Mr. Josiah Ferris, Jr., fourth vice president, the American Sugar Cane League, Union Trust Building, Washington, D. C.; Dr. John Hickson, assistant scientific director, Sugar Research Foundation, Inc., 52 Wall Street, New York, N. Y.; Mr. Edwin H. Hungerford, director of research and chemical control, the Great Western Sugar Co., Sugar Building, Denver, Colo.; Mr. Victor L. Johnson, vice president, the American Sugar Refining Co., 120 Wall Street, New York, N. Y.; Dr. George O. Kohler, head, field crops utilization section, Western Utilization Research and Development Division, 800 Buchanan Street, Albany, Calif.; Dr. George P. Meade, Gramercy, La.; Mr. Slaton M. Miller, vice president, the Hawaiian Sugar Planters' Association, 723 Investment Building, Washington, D. C.; Mr. Robert H. Shields, president and counsel, United States Beet Sugar Association, 920 Tower Building, Washington, D. C.; Mr. Dudley Smith, vice president, the Puerto Rican Sugar Producers' Association, Shoreham Building, Washington, D. C.

WHITE POTATO PRODUCTS TASK GROUP

Mr. Frank Hussey, chairman, executive vice president, Potato Industry Council of Maine, Inc., Presque Isle, Maine; Mr. L. L. Branthoover, general manager, Idaho Potato Growers, Inc., Post Office Box 978, Idaho Falls, Idaho; Mr. W. B. Camp, Jr., W. B. Camp & Sons, Inc., Post Office Box 2, Bakersfield, Calif.; Mr. Lyle W. Currie, manager, Potato Research Center, East Grand Forks, Minn.; Mr. Clifford Moquist (alternate for Mr. Currie), Crystal, N. Dak.; Mr. L. A. Masters, manager, Florida Planters, Inc., Hastings, Fla.; Dr. A. E. Mercker, executive director, National Potato Council, Inc., Munsey Building, Washington, D. C.; Dr. Ora Smith, department of vegetable crops, East Roberts Hall, Cornell University, Ithaca, N. Y.; Dr. Fred Talburt, head, vegetable processing section, Western Utilization Research and Develop-

ment Division, 800 Buchanan Street, Albany, Calif.

TASK GROUP ON WOOL AND MOHAIR

Mr. J. H. Breckenridge, chairman, president, National Wool Growers Association, 414 Crandall Building, Salt Lake City, Utah, mailing address, Twin Falls, Idaho; Dr. Werner von Bergen, Director of Research, Forstmann Woolen Co., Passaic, N. J.; Mr. James Gray, Extension Animal Husbandman, San Angelo, Tex.; Dr. Gerald Laxer, Director, Science and Research Department, wool bureau, 16 West 46th Street, New York, N. Y.; Dr. H. P. Lundgren, head, protein section, Western Utilization Research and Development Division, 800 Buchanan Street, Albany, Calif.; Mr. Edwin E. Marsh, executive secretary, National Wool Growers Association, 414 Crandall Building, Salt Lake City, Utah; Mr. Carl J. Nadasdy, general manager, South Dakota and Minnesota Wool Growers Association, 101 27th Avenue SE., Minneapolis, Minn.; Mr. Robert W. Reid, rancher, box 87, Hillsboro, N. Mex.

Mr. CURTIS. Mr. President, I wish to pay tribute to the fine persons who have helped with this work. A great many of them have served without being reimbursed for their expenses. They have been glad to assist in the effort to solve the problems which have been placed before them, because, after all, the problems of American agriculture are the problems of all Americans.

If we have any doubt about that, we might look at the budget for agriculture this year. It amounts to almost \$5 billion. Certainly it is time that the genius of America in the fields of industry lent a hand to help solve the many unsolved problems which confront American agriculture.

The Commission found that in every industry which uses or may use farm products, there were men willing to put their services, knowledge, and judgment at the service of the Commission, and to give freely of their time to serve on these task groups. Obviously the men qualified for these services are busy men, but they have been ready to contribute this inconspicuous and unpaid service.

The task groups submitted their reports to the Commission in January and February. Since then, the Commission members and staff have been studying and appraising the numerous suggestions made, and determining which of them and what others are to be included in the Commission's recommendations to Congress.

A few weeks ago, a part of the Commission's report was submitted at his request to the Senator from Arkansas [Mr. FULBRIGHT], chairman of the Senate Banking and Currency Committee. This committee wished to have the report to aid it in its deliberations on the disposal of the Government-owned Louisville alcohol butadiene plant. On the basis of this report, Senate bill 1741 was introduced on March 28, by the Senator from Illinois [Mr. DOUGLAS] and myself, to provide for an experimental program for making alcohol butadiene, and for other purposes. Mr. President, I invite attention to the Commission's memorandum which is to be found in the CONGRESSIONAL RECORD of that date, on page 4059.

The President and Members of Congress have urged the Commission to pre-

sent an interim report early enough in the year to permit Congress to act without waiting until the middle of June, when the legal deadline was set, in order that Congress can give full consideration to the report before adjournment. The Commission is planning to submit its interim report to the President and to Congress on or about April 15.

The Commission's report will include recommendations and comments on research problems needing attention, developmental and trial commercialization, promising new uses, incentives that will encourage industry to devote more attention to the development of industrial uses for farm products, education for the training of additional research workers in the field of industrial uses, and organization within the Government of an expanded utilization program.

Mr. President, there are not many places in the world to which we can turn for increased agricultural markets. With great effort and large subsidies, we have increased our exports of agricultural products a considerable amount. There is a limit to the additional amount, if any, they can be increased. Many areas of the world which used to have a deficit of food production, now are not only self-sustaining, but actually are plagued with surpluses of their own. Sometimes the agricultural commodity in that situation is rice; sometimes it is cotton; sometimes it is some other agricultural product. The only new market which lies ahead is the market here in the United States, for industrial uses for agricultural products.

Mr. President, we live in an industrial age. Today our people are using more gadgets, more materials, and more machines than ever before. If the materials from which those articles are made can be produced from the products of our soil, we can, with good husbandry, produce in an abundance, and at the same time can retain the fertility of our soil, to be handed on to the oncoming generations.

Mr. President, I submit that although it will take a great deal of time, consideration, and guidance, to develop this program properly, it offers the only real hope to the farmers of America that, once more, they will be able to farm all their acres and operate their farms without restrictions and limitations from Washington. A strange situation exists in the United States. We say to our citizens in almost every walk of life, "Expand, grow, increase your production, do more, build more." But then we turn to agriculture, and we say to it, "But that does not apply to you. The ordinary rules of success and increased production do not apply to you. You must follow the negative approach"—the approach which has been followed in agriculture for 20 years or more. But, Mr. President, what we need is the discovery of means and methods whereby there can be brought about greater use in industrial enterprises of the commodities produced on the farms.

When the Commission submits its report I hope it will receive speedy attention by the Congress. Without a doubt,

some of the Commission's recommendations will call for an appropriation of money. I have no desire to add to the high budget with which we are faced in this Congress. I have no desire to increase the almost \$5 billion budget for agriculture. I hope that savings can be brought about in other fields in our agricultural appropriations, so that whatever the Commission thinks should be done will be able to be accomplished without increasing overall expenditures. In fact, it is hoped ardently by me, and I am sure by many others, that our total budget can be greatly reduced.

I am thoroughly convinced that many of the expenditures we are now making for agriculture are not contributing toward a permanent solution of the problems that face American farmers. I am of the opinion that we have to pick and choose from among possible expenditures those that will do the most good in the long run.

I also wish to state, Mr. President, as I stated a while ago, that whatever plan is devised to give a start to a program encompassing the greater industrial uses of farm products should be carried on by private enterprise. We owe, in large measure, the success of our great system, and the very liberty we enjoy in this country, to our economic system, in which the people, and not the Government, own the property and earn the income.

Mr. President, I ask unanimous consent that I may have printed in the RECORD as a part of my remarks a speech which is to be delivered today by Chairman J. Leroy Welsh, Chairman of the Commission, in Miami Beach, Fla.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TALK ON PRESIDENT'S APPOINTED BIPARTISAN COMMISSION ON INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS BY J. LEROY WELSH, CHAIRMAN, GIVEN AT THE DINNER MEETING OF THE DIVISION OF CARBOHYDRATE CHEMISTRY OF THE AMERICAN CHEMICAL SOCIETY IN MIAMI BEACH, FLA., APRIL 9, 1957

I am grateful to Dr. Hilbert for his introduction and his description of the work done by the President's appointed Bipartisan Commission on Increased Industrial Use of Agricultural Products.

Dr. Hilbert's knowledge, wisdom, and energy in agricultural research has been of great value to me and to all members of the President's Bipartisan Commission. He has told you how our Commission came into being. He has defined its assignment, and has mentioned the 16 task groups we have relied on for special studies in selected fields where crop surpluses exist, and to look also into the possibilities of new crops. I'd like to add a few words to what he has told you of these task groups.

One hundred and sixty-five able men served on these study groups without any compensation, and most of them without even travel expenses. This, I think, suggests the degree of their interest not only in agricultural problems as such, but in the solution of the many problems that will arise as more agricultural products move into industrial uses. These men did not seek personal advantage. They worked for the good of us all in earnest efforts to accomplish something useful, to solve the farm surplus problem in which industry, labor, and all of us must be concerned. Every task-group man was chosen because of his competence in

business and his interest in the agricultural area and related subjects he was assigned to study, because we believed he had vision to look forward to solutions, and because we knew him to be dedicated in his efforts to find ways out of the economic difficulties that confront agriculture in America today.

I have read the reports these men submitted and they have made an enthusiast of me in a field you know so well, the field of scientific research. This subject is especially interesting to me because it has opened to me a vast new area of learning. I have had no formal training in the sciences, and no direct reason heretofore to study the wonders of the scientific revolution now underway. Possibly the subject is so familiar to you that you think everybody understands how essential, how profitable and how exciting scientific research is. Unfortunately, this is not the case. I wish it were.

These 16 study groups comprising 165 dedicated men were unanimous in the opinion that agriculture suffers today from a serious lack of scientific industrial research. This, despite the fact that agriculture is the most essential of activities. Life cannot go along without food, and food must be produced. Yet I believe that in utilization research agriculture is the most neglected fundamental element in the American economy.

I believe that this neglect is the major reason for the serious farm surplus condition we are facing; and I believe further that unless this neglect is corrected the large and burdensome surpluses of today will become larger and more burdensome in the years ahead, and we will find ourselves unable to sell, barter or give away our vast surpluses in the world markets. We face a recurring problem in agriculture, not one that once solved is forever disposed of. Our economy is threatened by surpluses for which we have not yet found uses. I am talking about renewable crops, harvested yearly, with per acre yields increasing every normal year as our producers apply ever-advancing technological knowledge in their farming methods.

Storage of crop surpluses, as all of you will agree, is not a permanent solution. What we have on hand now is far more than needed for prudent reserves. Secretary of Agriculture Benson puts it in this striking way: "A fundamental and unchanged fact is that a Government warehouse is not a market." Personally, I do not think that either piling up our surpluses in storage warehouses, or paying the farmer not to produce, which places him under Government supervision, is a proper or profitable solution of our agricultural surplus problems.

Utilization research in the interest of agriculture has been neglected by government and, in my opinion, also by industry. I feel that government must do much more than it has done, and I'd like to suggest that you men of industry give this matter the maximum time, thought, and money that can be justified economically. I think that every effort must be made, government and industry cooperating, to use the fine scientific manpower of industry to help solve the farm surplus problem, so that life may be made richer for all of us.

If you think that you as taxpayers are not concerned with agriculture, I ask you to listen to this: On October 31 of last year the Commodity Credit Corporation had some eight and a half billions of dollars invested in farm surpluses of cotton, tobacco, corn, wheat, rice, cheese, sorghum grains, wool, oats, dried milk, resin, cottonseed, honey, soybeans, dry edible beans, flaxseed, and peanuts. And one of our great economists says that if present technological knowledge were to be applied completely to farm practices we might easily increase total production from 40 to 50 percent in the next crop year.

Manufacturing industry is said to be spending—investing is a better word—about 2 percent of its gross sales in research. Your chemical industry and the petroleum people, both fast growing, invest more than this; much more, probably. But the total expenditures, or investments, for agricultural research are estimated to be only slightly more than one-half of 1 percent of the farmers' total agricultural sales, and nearly all of this has been devoted to improving and increasing production, not in utilization.

The harvesting of a number of crops has been greater in yield than present needs largely because of the excellent work done in production research. Requirements of war have been a major factor in stimulating production in the past. Doubtless you recall the slogan "Food will win the war and write the peace" that was used so optimistically at the outset of World War II. The demands of war shifted utilization research aside, and then as we seemed to be approaching more tranquil times, the Korean war came, and did the same thing all over again. But now, let us hope there will be time enough to concentrate on the potentialities of agricultural science for the purposes of peaceful living.

The great war work that was done in agricultural production research, and the great work done since the war should be continued. In this country we never should slow down the drive for improvement in any segment of the economy. What is needed in agriculture is not curtailment, but fuller use of the products of the farm. Agriculture must be enabled, by Government with industry helping, to compete as an equal with any and all other lines of activity.

Agriculture cannot do for itself all that is needed. It is not an organized society, and cannot be. The 5 million farmers are not a unit in the sense that the chemical industry is. They grow about 150 species of plants for food, fiber, and industrial uses. They are scattered from ocean to ocean, and from Canada to Mexico. Most of them are small operators. There is no practical way for them to have their own privately owned and operated laboratories. There are farm organizations, of course, but these have not yet found it possible to carry on scientific research. They are entirely legitimate and worthy in purposes, but have never made a serious effort to solve the long-range problems of their own members by promoting research for utilization.

The farmers must have help. Diminishing numbers takes nothing from their importance to our lives. Help for them must come mainly from Government at national and State levels, with industry lending a hand whenever and wherever it can do so economically. It is true that in this wonderful country we have close to 3 million new mouths to feed every year, and that life expectancy is increasing at the same time. Each of the new additions to population will, as he matures, consume some 1,600 pounds of food a year, and the longer living oldsters will continue their eating. This makes for an expanding food market, but the expansion is not nearly swift enough to catch up with our constantly rising production. Efficient machines, plus improved seeds, fertilizers, knowledge of soils irrigation and the like will continue to give us more farm produce than we can use—unless and until we find new uses, and these for the most part will have to be industrial uses.

Our Commission after months of study drew up a set of basic views, one of which is that the program for the benefit of agriculture must persuade the skilled manpower of private laboratories to give more attention to farm products as raw materials for industry.

Only 30 years ago most of the farmers of America were almost entirely self-sufficient. They produced some 80 or 90 percent of their

needs on their own farms. The typical farmer then bought only 10 to 20 percent of his needs from business. But today more than 50 percent of his needs are bought from business, including such items as fuel, automobiles, machinery, pumps, irrigation equipment, insecticides, fertilizers, mixed feeds, building materials, and so on through a long list.

Add these purchases together for all the farmers and you will find that business is selling more than \$16 billion worth of goods to America's farmers every year.

Our Commission turns hopefully to research because of the clear and tremendous results of scientific exploration throughout the entire economic and social structure of modern America. Ninety-five percent of the larger corporations of this country engage in one or more forms of research because they have found, first, that this is necessary if they would keep up with the march of time, and, second, because they have found that research pays off in dollars, both in anticipated and in surprising new ways. A continuing flow of new knowledge has become essential to progress in industry, and we believe it equally essential to progress in agriculture. It is estimated by some industrialists that demand for goods and services will increase by 40 percent in the next 10 years, and every alert business firm wants to share in this increase. Agriculture must also share in it.

As I have studied the problem of farm surpluses, and as I have read and reread the reports of our task groups, I have become more and more aware of the astonishing and vast area of our ignorance in regard to agriculture. As I said earlier, our farmers today are growing perhaps 150 species of plants, most of which have been grown by mankind since far back in history, yet we do not know anything like all that might be known about these plants, and the harvests they yield. Few, if any of them and their fruits have been studied completely in the scientific sense. What unknown wonders are hidden in them? What not yet discovered benefits do they hold for us? The answers cannot be known until scientists find them.

It is estimated that in all the world some 250,000 to 300,000 species of higher plants are growing. We know almost nothing about them. What a great field for scientific explorers. The scientific revolution, as I have said, is well underway. It is producing results as notable as any produced by the industrial revolution of a century ago. But it has barely started. The area that has been scientifically studied is small. The area ahead is unlimited.

The pioneers of earlier America climbed to the tops of mountains to see what lay beyond. The scientist of today is equally an explorer of the unknown, opening advancing frontiers for the benefit of all of us.

Before 1930, agricultural commodities used in the industrial field received practically no competition from raw materials stemming from mineral sources such as coal and petroleum. Practically the only fibers used were from natural sources—cotton, wool, and silk. The only detergent used was soap made from oils and fats. The only adhesives used came from starch, glue, and plant gum. Practically all shoes and traveling bags were made from leather. All upholstery was made either from leather, cotton, or wool. All protective coatings, I mean paints, were made from vegetable drying oils; alcohol was made from molasses and corn—and I could go on and enlarge on this list.

In the 1920's, the chemical and petroleum industries initiated strong programs of research to produce new products. The raw material on which these industries concentrated were coal and petroleum because of their cheapness and stability of price. Agricultural raw materials did not receive much

attention because of their price instability. In developing new products, the synthetic industry did not search for new uses. That would have been too costly and time consuming. Instead, they concentrated on producing products for which there were ready-made markets, fibers, detergents, protective coatings, footwear, upholstery, etc. In contrast at that time, practically no research was being done on the industrial uses of farm crops by the Department, by land-grant colleges, and agricultural-processing industry. By the middle thirties the research programs of the chemical and petroleum industry began to expand. Nylon, synthetic detergents, and plastics became commercialized, and agriculture began to lose some of its markets in the industrial field. This trend was rapidly accelerated after the war. Now agriculture commands only 65 percent of the fiber market, 50 percent of the protective-coating market, and none of the alcohol market.

The research programs of the chemical and petroleum industries have been expanding continually for the last 30 years. Utilization research in agriculture has been on a status quo basis for the last 15 years. For every \$10 that the chemical and petroleum industries are devoting to research, the agricultural processing industries, the Department of Agriculture, and the land-grant colleges are devoting \$1. It is evident that agriculture has been researched right out of its own natural markets.

Let me call your attention to one field in which research might result in great benefits to the grain growers of America. I am referring to synthetic rubber, a subject I can speak on with confidence because I was for a time president of the private-enterprise corporation operating the Government Omaha alcohol plant. The grain alcohol was used in making butadiene—and, in turn, synthetic rubber.

Last year the production of synthetic rubber in America was 900,000 long tons. Through the grain-alcohol process, it requires 350 bushels of grain to make 1 long ton of synthetic rubber. From this you will see that had all the synthetic rubber in America been produced from grain last year, you would simply have to multiply 900,000 long tons by 350 bushels per ton and you will come out, in round numbers, with 300 million bushels of grain that would be required for this production.

There is an estimate, made by the rubber industry some 6 months ago, that in the next 5 years they must plan an increase in production of some 600,000 long tons of synthetic rubber to supply the domestic demand. Since this original report, however, articles have been published indicating that this might be far too low and it might extend to 1 million long tons that might be required in the way of increased capacity in the next 5 years.

From this projection into the future, you will see that the consumption of grain through the increased production capacity might easily add another 200 million to 300 million bushels of grain that would be required if it were all made from grain. It was a sad day for agriculture and a much sadder day for the taxpayer when we scrapped our grain synthetic rubber industry, and lost this market for agriculture. In using grains for such industrial uses we are drawing from the ever-increasing production and the inexhaustible supply of starches from farm production—rather than from the nonrenewable deposits in nature's storehouses that are exhaustible.

While we are doing this we are piling up burdensome stocks of grain and fibers in our warehouses at tremendous costs for acquisition, storage financing, supervision, and spoilage.

Of course, at the present time almost 100 percent of the plastics and synthetic rubber

production comes from petroleum products and the raw products of agriculture cannot be used simply because it is uneconomical.

There are no figures available as to the probable amount of grains that might be consumed in the plastics industry in the next 5 years, but the expansion of this industry is probably at a faster rate than any other industry in America and it seems reasonable to estimate that there might be a market for as much grain in the plastics industry as in the synthetic rubber industry provided subsidies could be granted that would induce the use of grains in substitution for the present raw materials.

Alcohol, as you gentlemen know, is one of the most versatile of all products. It may be used in from 200 to 300 ways, mainly in industry.

Research has been described as the covered wagon of the 20th century. Of course the physical frontiers of the United States have been reached, but the final frontier of science, of research, of knowledge never will be reached. It is an ever-alluring, ever-advancing horizon. We never will know all the facts. At present, we know very few of them—distressingly few in the important area of utilization of even the few cultivated plants in our own country. And that, in my opinion, is the major reason we have a farm surplus problem instead of a more abundant life for all, resulting from industrial use of the surpluses.

I realize, of course, that as utilization research for farm products develops some of the new products will compete with existing products, agricultural and nonagricultural. Building materials, paper, surface coatings are examples that come to mind. But competition is not a condition to be avoided. It is one of the great stimulants, and one of the great blessings of our free enterprise system.

I began these remarks tonight by referring to the splendid work of the task groups. Now I'd like to leave with you a representative comment from one of the task group reports. The quotation is taken from the white potato products task group. It is repeated in different words by all the others. "The properties and qualities conferred by nature on farm products are within man's power to change and improve," declares the report. "Striking improvements are accomplished by plant breeders and agronomists. The discoveries and inventions of chemists, physicists, microbiologists, processing technologists, and engineers are already the foundation of great industries that transform agricultural raw materials into billions of dollars worth of food, fibers, and other goods of all kinds."

But in my opinion we have only scratched the surface. These industries can be made larger and new industries can be founded on the creative development of new, better, or more economical goods from farm products. Research will be the creative force. It is plainly necessary that we gain through fundamental research a thorough understanding of the chemical and physical properties of every crop we are growing. This will benefit farmers, laborers, businessmen—and every citizen of this great Nation.

And we must ever keep in mind, that agriculture, in common with all other activities, can move forward only at the speed of enlightenment.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. ELLENDER. I was very much interested to hear the remarks of the Senator from Nebraska with respect to the intention to save on this year's appropriation. Has the Senator any idea of how much more the corn program will cost if the bill now pending before the

Senate should pass the Senate and the House, and be put into effect, as intended by the proponents of the bill?

Mr. CURTIS. I must say to the chairman of the committee that I do not have those figures at hand.

Mr. ELLENDER. But the Senator does know enactment of the bill will cost a good deal more money, does he not?

Mr. CURTIS. Yes. I think all such legislation costs money, and for that reason I come back to the premise I have been dwelling on for many minutes, namely, that we are not moving toward a permanent solution.

Mr. ELLENDER. The Commission, to which the Senator has devoted much of his time in his remarks, has already been created. It is now in operation. I am very hopeful something good will come from its labors. But does the Senator feel that agricultural conditions will be improved by further aggravating the surpluses of corn?

Mr. CURTIS. I can only say to the chairman of the committee that it is not my privilege to sit on the Committee on Agriculture and Forestry. I shall leave the defense of the pending bill to those who have handled it.

Mr. ELLENDER. The Senator has made a talk on the bill, I assume, and I presume he has looked into the matter. As I pointed out on April 4, the corn surplus today amounts to almost 1 billion bushels, which are in the hands of the Commodity Credit Corporation at present.

Mr. CURTIS. The Senator from Nebraska did not intend the remarks he has made today to be a discussion of the pending bill; he was concerned with other matters.

Mr. ELLENDER. Am I to assume that the Senator is against the pending bill?

Mr. CURTIS. I did not so state, but I will say I do not believe the defeat of the pending bill will lessen surpluses of corn.

Mr. ELLENDER. If the Senator wishes to follow through with the argument he has just been making with respect to reducing the budget, and not further aggravating corn surpluses, I humbly advise him to vote against the pending bill.

Mr. CURTIS. Mr. President, I yield the floor.

Mr. HUMPHREY. Mr. President, I wish to address myself to the pending measure, S. 1771, and I urge the earliest possible approval by my colleagues of this important piece of proposed legislation. It is directly related to the 1957 corn base acreage, and it calls for an earlier start on a comprehensive 1958 program covering all feed grains, which I had the privilege of reporting favorably from the Committee on Agriculture and Forestry on April 1st.

Mr. President, every Senator from a State primarily urban or primarily agricultural has a vital stake in the agricultural policies of this country, and particularly in the existing imbalance in our economy. There can no longer be any dispute about the fact that agriculture is seriously out of step with the rest of the economy—lagging behind—and

that farmers and farm families are suffering hardship as the result.

I discussed this matter in some detail last Thursday in my reply to an address delivered by Secretary Benson. The RECORD is replete with economic facts and statistical evidence presented in the debate or the discussion of Thursday last; first, by the chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER]; second, by the Senator from Missouri [Mr. SYMINGTON]; and, third, by the junior Senator from Minnesota.

Congress has enacted legislation and appropriated funds, in the past and in the present, designed to ease the plight of farm families, yet we now find ourselves confronted with a situation which may very well undo all that we had hoped to achieve, and force all farm prices to still lower levels. Frankly, there is no use having a soil bank program if we cannot make it work. Indeed, there is little use having a soil bank program unless we are willing to go far enough with it to achieve some of the objectives for which it was designed.

There is little use talking about economy in this session of Congress if we have to come back next year and provide huge additional sums to make up for losses caused by our shortsightedness and by our failure to take the action needed now.

I also wish to point out, Mr. President, that while every farm program—indeed, any program that the Congress authorizes in any area—costs money, and while we always ought to scrutinize the programs very carefully, as the distinguished Presiding Officer [Mr. LAUSCHEL] has so properly noted here for us on other occasions, I feel that sometimes by an inadequate policy in the Congress or by a failure to do all that we ought to do, in the name of economy, we cause great losses to the total national economy.

What we are talking about is the wealth of the American people and their economic productivity. Therefore, far more than corn as a commodity is involved in the pending legislation. The entire economic base of American agriculture is involved, and that in turn affects all parts of our economy.

More directly, Mr. President, every hog producer, every beef producer, every poultry producer and every dairy farmer faces collapsing prices if we allow the collapse of feed grain prices. There is a direct relationship between the price levels of the feed grains and the price levels of beef, pork, poultry products, and dairy products. When feed grain prices go down, so do prices of the other commodities. When feed grain prices collapse, the record reveals that the so-called perishable commodity prices collapse.

I am frank to say that if we permit feed grain prices to go down further we may very well have problems facing us next year which will be much more costly to solve than the ones we face at present. If corn production soars and corn prices fall, the markets for other feed grains will be disrupted and the prices of other feed grains will fall, because corn is a feed grain, like oats, barley, rye, and grain sorghums. All these

grains are related. They all have feed equivalent value to corn. When corn prices drop, so do the other feed grain prices. When corn production goes up and up and up, which causes a surplus of corn and in turn a lower cash price for corn, the corn displaces other feed grains, and the prices of those feed grains in turn fall. As feed grain prices fall, more producers will seek to survive by feeding more cattle, more hogs and more poultry, and the vicious circle of overproduction and collapsing prices will be under way again.

I suppose, Mr. President, we might actually call this a law of agricultural economics. Just as we have certain laws of physics and certain laws of science, so there is a law as to the relationship of the feed grain prices to livestock, such as hogs and beef cattle, as well as to poultry products, such as chickens and turkeys. When price of the feed grains fall, so do prices of perishable commodities produced from such feed fall.

It would seem far wiser, therefore, to make use of corrective legislation with respect to corn now, rather than to have to spend many millions of dollars later for an ineffective meat-purchase program such as we have had in the past, in order to try—too late, and by doing too little to offset such price collapses.

Every competent observer in the heart of our heaviest corn-producing region agrees that if we allow the existing 1957 corn acreage allotment of 37,288,889 acres in the commercial corn area to remain there will be little compliance with controls and widespread overplanting of corn. And, Mr. President, I note for the RECORD that very little cut-back in corn production is contemplated in the great corn-producing areas.

There will be evidence brought forth in this debate—as there is in the report on this bill—that more than 5 million acres of corn land have already been signed up under the soil bank proposal. Therefore, the argument is made that it is not necessary to expand the corn base acreage in order to have participation in a corn program, since even with a base of 37 million-plus acres, there are about 5 million acres signed up. The question is, where are those 5 million acres to be found? They are in the drought areas. They are in the drought areas of those States where there is traditional corn planting. Most of the acreage is to be found in Kansas, Nebraska, the drought-stricken counties of Missouri and the drought-stricken counties of Iowa. But in Illinois, Indiana, southern Minnesota, and Ohio, where the commercial corn production is the traditional pattern of farming, and where production runs from 75 to 100 bushels or more per acre, there is a very small sign up. So while acres may be signed up under the existing situation, the potential production is not signed up.

Increasing the corn base acreage causes a larger acreage for price support participation to be involved, and it will be necessary to attract into the production control program the traditional producers in the heavy production area. This is the area where **we need to have** participation.

I have stated that every competent observer in the heart of our heaviest corn-producing region feels that the proposed legislation, which we are now considering, is inadequate. Those observers feel that persons who comply within such a limited allotment as the 37 million-plus acres will plant other acres heavily in competing feed grains, such as sorghums, adding to the total feed supply problem instead of easing it. Therefore, by increasing the corn base acreage to 51 million acres, we are going to have less, rather than more, corn and other feed grains.

I digress to point out that we are not talking about increased planted acreage, because the farmers plant about so many acres every year. There is a traditional amount of planted acreage. We are talking about the increased acreage which is eligible for the soil-bank program participation. It is the increased acreage the production from which is eligible for price-support Commodity Credit loans we are concerned with, because it is only on such acreage that there is any control over production.

The farmers plant about 85 million acres of corn throughout the country. The farmers have planted in the past around fifty-six-million-plus acres of corn in the commercial corn area. What we are stating here is that if we should take 51 million acres in the traditional commercial corn area and make it available for price-support loans and for soil-bank control. That action would cut into the production of corn and thereby ease the supply situation, thereby raising the price, and thereby providing a better economic base for agriculture.

The increased acreage, from 37,800,000 up to the 51 million we are advocating in this bill, will permit more farmers to comply with controls, and to put more acreage into the soil bank. While that may increase soil-bank payments to corn producers, it will lessen the burden of price-support losses on all feed grains in and out of the commercial corn area—and certainly lessen the financial loss to our farm economy.

We must consider the corn program as a part of a total agricultural program. What the junior Senator from Minnesota is saying is that by increasing the acreage base for corn, we may very well increase the cost of the soil-bank program on corn, but we shall minimize and reduce the cost of the price-support programs on grain sorghums, rye, barley, and other feed grains, and reduce the losses of the Government in connection with the storage costs on loans which involve the storage of grains. Even more important, we shall bolster the farm economy by seeing that the corn producer, as well as the feed grain producer, gets better prices.

The bill before us is not a partisan measure, nor a special interest measure for corn. It is honestly and sincerely offered as a sound approach to avoid a further setback for our entire livestock economy, and to protect other feed grain producers outside the commercial corn area as well as those within the commercial area.

Let me emphasize the fact that the pending bill is a compromise. It is not exactly the bill I personally would have preferred. The bill which was introduced by the Senator from Missouri [Mr. SYMINGTON] and myself was given no support by the Department, even though I think it is fair to say that our bill was directed more precisely to the needs of the present farm economy. We shall have some discussion of the details of that bill later.

The bill which is now before us, Senate bill 1771, was drafted in a bipartisan spirit by those of us on the Senate Committee on Agriculture and Forestry who had sponsored corn legislation, and is now sponsored jointly by myself, the Senator from Iowa [Mr. HICKENLOOPER], the Senator from South Dakota [Mr. MUNDT], the Senator from Missouri [Mr. SYMINGTON], and my colleague from Minnesota [Mr. THYE]. It is supported by the National Grange, one of the truly great farm organizations of the United States. It is supported by the National Farmers Union, one of the great farm organizations of the Nation; and it meets the general objectives set forth by spokesmen for the American Farm Bureau Federation in testimony before our subcommittee.

I invite the attention of my colleagues to the testimony of Mr. Frank K. Wooley, legislative counsel of the American Farm Bureau Federation. His testimony, when studied, will indicate that this bill was specifically designed to meet the major requirements as to acreage with respect to feed grains, and as to soil bank participation, as outlined by the chief witness of the American Farm Bureau Federation, Mr. Wooley. His testimony is to be found beginning on page 50 of the hearings, and running through page 59.

The bill was written with representatives of the Department of Agriculture present and concurring in what we have proposed.

It recognizes the validity of eventually having to provide for an overall feed grain program, and seeks to avoid again having a last-minute hassle in 1958 over what kind of a farm program we are going to have for feed producers.

It does so by directing the Secretary of Agriculture to make his recommendations for the 1958 program by June 1 of this year, instead of waiting until next January, and it calls upon him to "conduct a thorough study of possible methods of providing an overall feed grain program which can be made effective with the 1958 crop."

This is an important provision of the bill. Every witness before the committee, without exception, including the Department witnesses, recognized the fact that we must think in terms of the total feed grain supply situation, and the total feed grain production situation, including corn, if we are to design a truly effective price support-production control feed grain program, including corn.

We should never look upon these commodities separately. They must be looked upon as parts of a total comprehensive feed grain supply. The bill says to the Secretary, "You must come to the

Congress not later than June 1 with proposals and recommendations for an overall feed grain program for 1958, including corn."

We did not feel that we were prepared at this time to legislate in that complex area in the brief time we have. We are asking the Department to give us the benefit of its advice. We are asking the Department to give us the benefit of its technical services and guidance.

I suggest to my colleagues that by setting the date of June 1 we allow ourselves an opportunity to discuss the subject this year, and, if need be, after Congress shall have recessed, to hold hearings in the field in the fall months, and then come back and pass a bill in January 1958, for the full crop year 1958. In fact, it is possible and preferable to pass a bill this year for the crop year 1958.

What has been wrong more than anything else with the feed grain program is that we have waited too long each year to come to grips with the legislative requirements of such a program. I indicate again that the bill calls upon the Secretary to "conduct a thorough study of possible methods of providing an overall feed grain program which can be made effective with the 1958 crop."

It calls for his report, with specific recommendations, including drafts of necessary legislation to carry out such recommendations, not later than June 1.

Congress would still have time this year to act on a feed grain program for next year—so that producers would be able to plan intelligently this winter for next year's plantings.

Senators who have been more concerned about other feed grains than corn would be doing a disservice to their producers—and I am sure their producers would so regard it—if they were to turn down this opportunity to start work on farm legislation covering their commodities a year in advance, instead, of waiting until planting time next year.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield. I am always happy to reply to the Senator's questions.

Mr. ELLENDER. As I understand, the Senator has placed in the RECORD certain information to which reference has been made.

Mr. HUMPHREY. A part of it has been placed in the RECORD.

Mr. ELLENDER. The Senator made the point that by increasing the allotted acreage from 37.3 million acres to a base of 51 million acres we would give opportunity to the States where the most corn is produced to come into the program.

Mr. HUMPHREY. We would give opportunity to every State which has a commercial corn area.

Mr. ELLENDER. And primarily the heavy corn producing States in the commercial corn area.

Mr. HUMPHREY. Yes, indeed. That is the point.

Mr. ELLENDER. Is the Senator familiar with what happened last year?

Mr. HUMPHREY. Yes. Let me add that what happened last year was that

by extending the date time after time in connection with the right of a farmer to come under the program, we brought about such a situation that a large number of farmers came under the program late in the year, well after May and June, and into July, when they found that they were not going to produce anything. That was an election year. What really happened was that the floodgates were open, and when a farmer saw he was not going to get a crop, he got in under the soil bank. He said, "I did not really intend to plant anything anyway. Here is my application. Give me some benefit payments."

Mr. ELLENDER. I should like to point out that I have before me the record of the great State of Iowa, which is the largest corn-producing State in the Union.

Mr. HUMPHREY. That is correct.

Mr. ELLENDER. Last year Iowa put 1,289,414 acres into the corn acreage reserve.

Mr. HUMPHREY. That is correct.

Mr. ELLENDER. Those acres were not planted to corn; they were under the 15-percent proposal contained in the 1956 act. However, for a farmer to be able to obtain price support under the bill, he need not decrease his corn acreage, but he can take an acreage equal to 15 percent of his base acreage out of hay land or any other commodity, if he desires.

Mr. HUMPHREY. The Senator is correct, but only partially correct. A farmer is eligible for price support under the pending bill by doing as the Senator has suggested. However, the payment which the farmer receives is payment under the conservation reserve section of the bill, and it is a very modest payment. If the farmer wishes to get the higher soil-bank payment, which is as high as \$80 to \$90 an acre in Iowa and southern Minnesota and Indiana, he must come under the acreage reserve section of the bill, which requires that he take 15 percent of his acreage out of corn acreage, not out of any other acreage.

Mr. ELLENDER. As I pointed out, last year the great State of Iowa had 1,289,414 acres in the corn acreage reserve, but harvested corn acreage was reduced by only 33,000 acres from 1955. With 1,289,414 acres in the acreage reserve, the farmers of Iowa produced 521,000 bushels less than in the previous year, and they received payments at the rate of \$42.59 per bushel for reduction of corn.

Mr. HUMPHREY. I wish to say to the Senator that he is making—

Mr. ELLENDER. I was in error. The figure is \$105.40 per bushel of corn reduced. That is what it cost the Government, \$105.40 per bushel, for each bushel reduction in Iowa.

Mr. HUMPHREY. May I say to my good friend and the distinguished chairman of the Committee on Agriculture and Forestry—

Mr. ELLENDER. I expect to show that as to all States. I expect to show what happened. As my good friend from Minnesota has pointed out, the response last year was very great, although it was late and the corn acreage put into the acreage reserve last year totaled

about 5¼ million acres. This year there was established a somewhat larger goal by the Secretary of Agriculture, when he promulgated the rules and regulations last December. Is that not correct?

Mr. HUMPHREY. That is correct. I wish to say to the Senator from Louisiana that I have not been happy with the operation of the soil bank, and I was particularly unhappy with the way it was administered last year. I am convinced in my own mind that it was administered with some political overtones and purposes.

There is no doubt that the continuation of the extension date to eligible farmers was directed, in a sense, by political considerations. That is not the way to conduct a farm program. However, I should like to say also that what we are proposing for the 1957 crop year, while it is not as I would personally prefer it to be, if I could have a bill that met with my own personal standards, it is, nevertheless, a better program than last year. Last year there was a minimum price support established on corn in the commercial corn area, even if the acreage did not go into the soil bank, of \$1.25 a bushel. Farmers could plant all the corn they wanted to plant at \$1.25 a bushel. Under the pending bill, as we have now designed that feature, we are seeking to avoid that situation. Farmers will get price support under the bill before us only when they comply. Farmers will not get \$1.25 a bushel price support under the bill if they do not comply.

The junior Senator from Minnesota stated on the floor of the Senate last year that the corn program adopted last year and as announced by the Secretary of Agriculture—and it was essentially an administrative announcement—was bound to produce trouble for corn farmers in 1957.

I do not claim to be a prophet, and there are no Humphreys in the Old Testament or in the New Testament. I have no prophetic vision; but it did not take very much sense or any kind of prophet to be able to predict what was going to happen when \$1.50 was fixed as the price of corn for farmers who complied with the soil bank limitations, and \$1.25 a bushel if a farmer did not comply and planted all he wanted to, and prayed for rain.

That is what happened with respect to the corn production of last year. No one is responsible for it any more than is the Secretary of Agriculture.

Now we have a different situation. We would establish a price-support level of about \$1.36 a bushel for corn which is planted under compliance. The compliance requires that if a farmer is to get the benefits of the acreage-reserve program, which pays the high-benefit payments, he must take the 15 percent out of corn allotted acres. In other words, if a farmer has 100 allotted acres of corn, in order to receive the acreage-reserve benefit-payments, he must take 15 of his acres out of that 100 acres. And if a farmer wishes to get the lower payments, which average about \$11 an acre throughout the country, he can take out an equivalent 15 percent from any of

his tillable acres on which corn may be grown or may not be grown. However, let me say to my colleagues at this point that all such tillable acres are eligible to produce competing feed grains. That is the situation this year. One of the reasons why the feed-grain situation is not still worse this year than it was a year ago, particularly as it relates to oats, barley, and rye, is that it was possible to take out of production last year a large number of feed-grain acres other than corn, and in that way cut down the supply and thus firm up the price somewhat on the other feed grains.

I wish to point out again that the soil bank was not administered as I thought it should have been, or as I hoped it would have been. However, at least it did something.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield for a question.

Mr. ELLENDER. The Senator said that under the pending bill there is no provision made for support being made available for noncompliers.

Mr. HUMPHREY. That is correct.

Mr. ELLENDER. However the Senator realizes, I am sure, that last year what the Secretary of Agriculture did was to put into effect a provision of the 1949 act which had never been used before. The provision is contained in the Agricultural Act of 1949, as amended, under section 101 (d) (5), which provides:

(d) Notwithstanding the foregoing provisions of this section—

(5) Price support may be made available to noncooperators at such levels, not in excess of the level of price support to cooperators, as the Secretary determines will facilitate the effective operation of the program.

He did that before we passed the 1956 act. In view of what had already been done by the Secretary before we passed the 1956 act, we had to include in the 1956 act a provision which would permit him to continue the program he had already announced. Consequently section 308 (a) of the Agricultural Act of 1956 contains the following proviso:

Provided, That price support may be made available to any producer who does not meet the foregoing requirements at such level, not in excess of the level of price support to producers who meet such requirements, as the Secretary determines will facilitate the effective operation of the price-support program.

The provisions just quoted are still on the statute books, and if the Secretary of Agriculture desires to do so, he may fix price support for noncompliers at any level up to \$1.36 per bushel, or even higher if he should raise the support levels to compliers. So, if he desires to do so, he may still establish price supports for noncompliers. Is that correct?

Mr. HUMPHREY. Yes; but we can have price supports for noncompliers of only \$1.12 under the committee recommendation, as contained in the committee report, if any support at all is provided them, because, as the Senator will recall, we limited the support price for noncompliers by specific language in

the report. We restricted it down to the level of price supports in the noncommercial area.

It is technical, to be sure, but we will try to simplify it. Last year we had \$1.50 a bushel support for compliers and \$1.25 a bushel for noncompliers. This year, from all indications, the support level will be \$1.36 a bushel. Under the proposal now under consideration, the compliers—that is, the farmers who comply with the acreage limitations, including the soil-bank provisions, to take advantage of the price-support crop loans—will get a minimum of about \$1.36. The amount they could get for noncompliance would be limited to about \$1.12, the noncommercial area level, under the committee recommendations.

Mr. ELLENDER. The Senator is referring to the last sentence of the first paragraph on page 2 of the report, is he not?

Mr. HUMPHREY. Yes. That would hold the noncompliers down to \$1.12 if the Secretary should find it necessary to provide support for them at all.

Mr. ELLENDER. Yes, that is correct. The committee made that recommendation. I hope that the Secretary will not see fit to make support available at all to those who do not comply with any acreage limitations. The support price for compliers this year is only about 10 cents a bushel above the support given noncompliers last year.

Mr. HUMPHREY. But if he does, he should not exceed the maximum limitation prescribed by the report. He should not go above the noncommercial area level, and the bill holds the noncommercial level down to about \$1.12 by repealing the 70 percent of parity price support provision which would have become effective under section 308 (d) (3) of the 1956 act if and when he should make support available to noncompliers.

Mr. SYMINGTON. Mr. President, will the distinguished Senator yield?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. The Senator agrees, does he not, that this is not the best bill we could have?

Mr. HUMPHREY. I agree with the Senator.

Mr. SYMINGTON. If we were going to adopt a policy of raising the price of grain in order to improve the price of livestock, instead of lowering the price of livestock to the price of grain, then we would handle all the grains at one time, would we not?

Mr. HUMPHREY. That is exactly correct. I am certain the Senator knows, he being a cosponsor of the compromise bill, that one of the main reasons why both the junior Senator from Missouri and the junior Senator from Minnesota support the bill is that it requires, for the crop year 1958, that a program be laid before Congress by the Department of Agriculture for consideration in the calendar year 1957 so that Congress can do exactly what the Senator from Missouri has indicated is so essential to a farm program, namely, make a study of all feed grains at one time and then decide on a program, without going into the kind of program it should be, which will take into con-

sideration the interdependence of the feed grains and their relationship in terms of feed value and in terms of price.

Mr. SYMINGTON. Is it not true that more and more voting on farm legislation is being done crop by crop, with those who are not interested in corn voting against corn, those not interested in wheat voting against wheat, with no basic effort being made to help the farmer as much as there is an attempt to help a particular crop in a particular part of the country?

Mr. HUMPHREY. I should say that, considering the record made last year when the Secretary of Agriculture started to deal with the farm program which was before our committee at that time, on a crop-by-crop basis, the unraveling and the ultimate destruction, if unchecked, of the farm program was set in motion. I regret to say this, but that happened. Senators were appealed to on the basis of a particular crop to the exclusion of other crops.

The minute that happens—particularly, I may say, in the case of cereal grains and the feed grains, which are so directly related to perishable commodities or the animal products and poultry products—we will have opened up a Pandora's box of trouble.

If one were designing a means or a method to destroy a farm program deliberately, there would be no better way of doing so than by permitting that kind of activity to continue, namely, enact crop-by-crop legislation, with no regard to the other crops. Once that begins, there are not enough votes in the other House or in this Chamber to provide a farm program which is meaningful to any producer, except it be done at the expense of someone else.

Mr. SYMINGTON. Is it not true that the reason given by the Department of Agriculture for justifying the direct subsidy plan on wool is that the Department wants to increase the production of wool in this country?

Mr. HUMPHREY. That is correct. At the same time they do not want to have limitations or controls or tariffs on wool.

Mr. SYMINGTON. But is it not true that last year there was less wool production in this country than the year before?

Mr. HUMPHREY. That may be true. I regret to say that I am not informed on all the facts. The Senator from Missouri is better informed on this matter than I am.

Mr. SYMINGTON. I am glad to know there is one thing about the farm program which the Senator from Minnesota does not know about, because I am certain that as to everything else he is far ahead of nearly all of us in the farm program.

Mr. HUMPHREY. Last year the base acreage was originally set at 43 million acres, and it was changed by act of Congress—

Mr. SYMINGTON. To 51 million acres.

Mr. HUMPHREY. It was changed to 51 million acres. But the fly in the corn ointment, or should I say the economic boll weevil in the corn program—

Mr. ELLENDER. Why not say "termites" instead of "boll weevil."

Mr. HUMPHREY. I want our cotton-planting friends to be with us.

The problem arose when the Secretary set the price for noncompliers at \$1.25. I remember the chairman was adamantly opposed to that, as was I.

Mr. SYMINGTON. One dollar and twenty-five cents to the noncompliers?

Mr. HUMPHREY. To the noncompliers in the commercial corn area. The minute that was done unlimited plantings were upped and upped.

What happened, further than that, was that a soil bank program was provided, rather than a drought relief program. The Senator from Missouri knows that there ought to be a drought relief program instead of a soil bank program. The Senator from Missouri has tried harder than anyone else I have ever known to obtain a drought relief program, but he has not had much cooperation.

Mr. SYMINGTON. I deeply thank the Senator: Could he tell me when 37 million acres came into the program?

Mr. HUMPHREY. This is how it came about: Under the price support formula in the act of 1938, as amended, and under the part of the farm program which sets up acreage limitations related to the volume of production, the formula works out, because of the carryover of corn supplies, so that the acreage will drop back to 37 million, because there are almost 950 million excess bushels of corn on hand right now. This compels the use of a new arithmetical formula in the law. If the acreage slips back to a point where that number of acres is planted, the formula is supposed to put the supply back into balance. It is supposed to. It is theoretical.

For all other commodities except corn, there is a limitation on how far back the allotted acreage can slip. For example, there are minimum base acreages for most commodities, but for corn there is no such thing.

In other words, it would be entirely possible to have 1 billion or 2 billion bushels of corn in surplus to get back where there were, under the present law, 5 million acres, which, of course, means nothing.

Of course, that means nothing. It is unrealistic, because the corn planters would not pay any attention to it.

We are confronted with a situation which is unlike that which is related to wheat or cotton. As to those two commodities, there is a floor below which the acreage does not fall. In the case of corn, there is no floor; there is a hole, and the acreage can go right on down to 37 million, 30 million, 35 million, 32 million or 30 million. But a legislative floor has been put under wheat and cotton, simply to take those two commodities as examples. I am not opposed to that.

Do not misunderstand me. I am not favoring one commodity against another; I am merely saying that for the purpose of price support calculation in the case of wheat and cotton, there is a floor below which the price cannot go, when it comes to the competition of acreage for allotment purposes. In the

case of corn, that is not so. That is why the acreage slips down to 37 million.

Furthermore, for the purpose of price computation in some commodities, such as cotton, there is a permissible carryover which is larger. It can go as high as 30 percent carryover of the normal crop before any acreage limitations are to be set in. In corn, it is 15 percent. Corn has not been given the same protection.

Mr. SYMINGTON. We agree that this is not the best bill; but that half a loaf is better than none. That is the basis upon which we support the bill. Is not that correct?

Mr. HUMPHREY. I should say that is the essential basis, plus the fact, I think, that the directive to the Secretary concerning the feed-grain program is of the utmost importance.

Mr. SYMINGTON. I could not agree entirely on that with the distinguished Senator, because—based on the recent letter of the Secretary of Agriculture to the chairman of the committee—I doubt the Secretary now supports any of this proposed legislation.

Mr. HUMPHREY. Let me say it is rather difficult to ascertain that; but I will say now, for the Record, that the testimony given to the committee by the witnesses from the Department of Agriculture supports the bill now before us; I refer to the testimony as to 51 million acres, the testimony as to the price-support level, and the testimony as to feed grain.

I have been told that pressures not to support this bill were brought to bear on the Department from some farm leaders outside the Government. I have been told that strong pressures were brought to bear.—I gathered that the Secretary did not want to be against the bill, but he did not want to be for it, either; and, therefore, we have a rather noncommittal letter. I wish to say that one may not always have the official stamp of approval for a piece of proposed legislation; but when we search through the detailed evidence leading up to the pending bill, we see that the Department supported it point by point.

Mr. SYMINGTON. Mr. President, will the Senator from Minnesota yield further?

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Does the Senator from Minnesota yield to the Senator from Missouri?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. If the pending bill is enacted into law, it will help the lot of every corn farmer in the country, will it not?

Mr. HUMPHREY. That is my view.

Mr. SYMINGTON. And if one considers the situation in agriculture, any help which can be given to agriculture—help needed because of the problems of agriculture, as contrasted with the prosperity of other segments of the economy—will be best for the overall financial and economic position of the entire country, will it not?

Mr. HUMPHREY. I do.

Mr. SYMINGTON. It is true, is it not that in the last 4 years, although wages have increased 22 percent, corporate

profits after taxes 33 percent, and the common stock index has increased 77 percent, at the same time farm income after inventory adjustment, has dropped 30 percent and during the same 4 years parity has dropped from an average of 100 in 1952 to an average of 83 in 1956. At the present time incidentally the farm parity ratio stands at 80. Those figures are correct, are they not?

Mr. HUMPHREY. Yes; they are correct. The Senator from Missouri is an economic encyclopedia on these matters, and I congratulate him.

Mr. SYMINGTON. Under those circumstances, let me ask the distinguished Senator from Minnesota why there should be any reluctance to help the lot of the corn farmers.

Mr. HUMPHREY. Some Members of the Senate honestly believe that the soil bank program, as it operates, particularly on the corn farmers, is not a good program. I wish to say that is an opinion and a doubt which can be held with some degree of support from the evidence, in the light of the way the soil bank program was operated last year. But for those who support the administration's proposals, I say that the administration places its faith in the soil bank, and the pending bill is based upon the soil bank; it is based upon the very testimony the administration advanced before our committee in regard to the operation of the soil bank. So the least we can expect is that every administrator supporter will support the pending bill, which I am privileged to present to the Senate, even though I must confess that in agricultural matters, as in others, I am seldom an administration supporter.

Mr. SYMINGTON. Is it not true that if the soil bank is discarded, then in effect the entire agriculture program of the administration is just about discarded?

Mr. HUMPHREY. That is correct; the administration's agricultural program is essentially the soil bank.

Mr. SYMINGTON. I thank the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I wish to thank the distinguished Senator from Missouri for his very fine contributions.

Mr. CARLSON. Mr. President—

Mr. ELLENDER. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. Mr. President, I must ask the Senator from Louisiana to permit me to yield first to the Senator from Kansas, who previously requested that I yield.

Mr. CARLSON. Mr. President, I am happy to have the Senator from Minnesota yield first to the Senator from Louisiana, the chairman of the Committee on Agriculture and Forestry.

Mr. HUMPHREY. Very well then; I yield now to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I should like to ask a question in connection with the question the Senator from Missouri asked about scrapping the soil bank.

As I have pointed out, under the present program the acreage which will go into the soil bank and which will be deducted from allotted acres of corn is

greater than the amount which was anticipated when the soil bank bill was enacted and placed on the statute books, last year.

Mr. HUMPHREY. The chairman of the committee is correct, Mr. President.

Mr. ELLENDER. Last year the amount which was expected to go into the soil bank—that is, the reserve acres—was from 4,500,000 to 5,500,000 acres. Today it is almost 5,600,000 acres. So the program now is way ahead of what the proponents of the soil bank anticipated last year, when the soil bank was created, under the 1956 act.

Mr. SYMINGTON. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from Missouri.

Mr. SYMINGTON. What the distinguished chairman from Louisiana has stated is true; but there are many reasons for the additional acreage. In my State the heavy drought caused many more acres of corn to be placed in the soil bank than had been anticipated.

With all due respect to the distinguished chairman of the committee, I believe that if we abandon the principle of the soil bank, right or wrong, in effect we abandon the agricultural program sent to the Congress by the Department of Agriculture.

Mr. HUMPHREY. Mr. President, I think that is a fair statement. Let me add, in part in response to my friend, the Senator from Louisiana [Mr. ELLENDER], the chairman of the Committee on Agriculture and Forestry, that although the administration hoped to have approximately 5 million-plus acres of corn go under the soil bank this year, it was found last year that that number of acres did not do the job. Furthermore, as has been indicated by the Senator from Missouri, most of the acres thus far placed under the soil bank provisions are drought acres, which thus are not cutting into the great areas of corn production.

What is even more important is the following: Let us assume that 6 million acres are placed in the soil bank, and let us assume that that will cost another \$100 million. However, that would not be over and above the amount provided in the budget; instead, available funds not used elsewhere for agricultural purposes would thus be used to bolster the corn program. In that event, the effect on the economy would be to increase or to raise corn prices.

Mr. President, the corn farmer cannot make any money if corn is selling at \$1.15 a bushel, which is the price of corn today, any more than an automobile manufacturer can remain in business if the automobiles he produces are sold by him at less than the cost of production. A price for corn of \$1.14, \$1.15, or \$1.16 a bushel is confiscatory in the case of corn farmers.

So the good purpose of the soil bank—if it has a good purpose; and it was for that purpose that the Congress voted for the soil-bank bill and had it placed on the statute books—is to remove from production enough productive acres so as thereby to limit the production and thereby to limit the supply, and thus, as

a result of the limited supply, to cause prices to rise; and by having the prices rise, to make available to the farmer a fair price, a parity price, a price which will be a reasonable one and which will provide a reasonable profit, yielding economic dividends to the total community.

I am not unmindful that the pending bill will cost more money for the corn program; but to those who are deeply concerned about these budgetary matters—as I trust all of us are—let me say that that will not mean additional agricultural appropriations. Instead, it will mean that moneys which were unused for other agricultural commodities will be made available to firm up the corn program. So that will not mean additional budgetary requirements or budgetary resources.

Mr. KEFAUVER. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. At this point, Mr. President, I wish to yield first to the Senator from Kansas [Mr. CARLSON], who previously requested that I yield to him.

Mr. KEFAUVER. Certainly.

Mr. CARLSON. Mr. President, I appreciate very much the courtesy of the Senator from Minnesota in yielding to me.

Let me say that I am in thorough accord with some of the statements the Senator from Minnesota has made in regard to the pending bill. I think our problem is not only a corn problem or a wheat problem, but that when we are dealing with this field, it becomes a feed problem. That is one of the regrets I have about the pending bill.

Assuming that we open up this matter and that authority is given to include any additional acreage, is there any indication from the Department that, in such event, the acreage under the soil bank can be expanded?

Mr. HUMPHREY. Yes, the Department has indicated that it is possible to do so, and the Department has indicated that there are requests on the part of the farmers to do so; and therefore the proposal is to establish a base of 51 million acres, so as to assure greater compliance.

Mr. CARLSON. In other words, the pending bill provides that the present base of approximately 37 million acres shall be expanded to the extent of approximately an additional 14 million acres, in order to allow a total base of 51 million acres; and it was the contention of the Department, at least, that that would increase the acreage in the soil bank. Is that correct?

Mr. HUMPHREY. That is correct.

Mr. CARLSON. I should like to ask about the payments. I admit that I do not understand this part of the report, although I assure the Senator from Minnesota that I have read it. As I understand, in 1956 the loan-support price was based on a price of \$1.50 a bushel.

Mr. HUMPHREY. Yes, in the case of those who complied, in the commercial corn area.

Mr. CARLSON. That is correct. However, as the matter has worked out, for those in the commercial corn area who complied, the price has been \$1.36 a bushel, has it not?

Mr. HUMPHREY. It cannot be less than 75 percent of parity. It might be even \$1.38 a bushel; but \$1.36 a bushel is the price at this time.

Mr. CARLSON. That is the base price, is it not?

Mr. HUMPHREY. Yes, that is the base price.

Mr. CARLSON. In 1956 in the non-commercial area there was a loan-support price, under the program, of \$1.25 a bushel.

Mr. HUMPHREY. That was the price in the commercial areas where the farmers were in noncompliance. In the non-commercial area it was not quite \$1.25 a bushel.

Mr. ELLENDER. Eighty-two and one-half percent of the commercial area level.

Mr. CARLSON. There were no price supports in the noncommercial area?

Mr. HUMPHREY. Yes, there was a price support in the noncommercial area, but it was less than \$1.25.

Mr. SYMINGTON. It was \$1.125.

Mr. CARLSON. I read from the report:

If it should become necessary again to make price support available to producers in the commercial area who do not comply with any acreage limitations, the committee feels that such support should not be higher than that in the noncommercial area (\$1.12 on the basis of support for compliers in the commercial area of \$1.36).

Mr. HUMPHREY. That is correct.

Mr. CARLSON. Assuming it should become necessary—and I presume the Secretary of Agriculture would determine that—

Mr. HUMPHREY. Yes.

Mr. CARLSON. What would be the support price, if any, in the noncommercial area?

Mr. HUMPHREY. In the noncommercial area it would be 82½ percent of support for compliers in the commercial area—or an average of around \$1.12 on the basis of the presently announced \$1.36 for those accepting controls.

Mr. CARLSON. I assure the Senator that information is most helpful.

Mr. HUMPHREY. We have really three possible price structures.

Mr. CARLSON. In other words, it would be about \$1 a bushel in the non-commercial area, \$1.12 for noncompliers in the commercial area, and \$1.36 for those who complied?

Mr. HUMPHREY. Yes.

Mr. CARLSON. The question is whether it is to the advantage of the corn grower to come under the program.

Mr. HUMPHREY. That is correct, and it is my point that there is an advantage for the producer to come under the program, particularly under the acreage reserve program, because the Department set a rather generous rate of benefit for the farmers who complied with the acreage reserve features of the soil bank. I refer to farmers who had an acreage base allotment and took 15 percent of the acreage and put it in the acreage reserve.

Mr. CARLSON. It is important that we keep in mind the feed grains which will enter into competition. I am sure the Senator from Minnesota is more

familiar with that subject than I am. We are faced with the production of crops which are not naturally grown in the corn-producing areas. We begin to see wheat produced in the eastern section, corn produced in the South, and feed grain production scattered all over the United States. The entire agricultural program, if we are not careful, is going to become imbalanced by the growing of crops in areas in which they do not naturally grow, at an increased cost. Such production would not fit into the entire farm program to the best advantage.

Mr. HUMPHREY. I agree with that statement. When severe acreage restrictions were placed upon cotton, wheat, rice, and other crops, the farmers were driven to the position, when no benefit payments were provided and there was no soil bank, of having either to let their land stand idle, or plant it to other crops, such as grain sorghums in the Southwest.

Mr. CARLSON. I have in my hand a copy of the Agricultural Outlook Digest, issued by the Agricultural Marketing Service, and I read from it:

Increased acreages are planned for: Sorghums, 23 percent; sugar beets, 10 percent; barley, 9 percent; and soybeans, 4 percent. Not much change is expected for flaxseed, potatoes, dry beans, peanuts, and hay.

Major declines are: Spring wheat, 21 percent; tobacco, 17 percent; rice, 10 percent; corn, 5 percent; oats and sweetpotatoes, 3 percent; and peas, 2 percent.

I do not quite understand the justification of getting into the soil bank 5 or 5½ million acres out of a 50 million acreage, and then cutting corn production back 5 percent.

Mr. HUMPHREY. I did not quite understand what the Senator said.

Mr. CARLSON. I assume the farmers are going to plant 56 million acres to corn.

Mr. HUMPHREY. There will be about 56 million acres in the commercial area.

Mr. CARLSON. The forecast for 1957 is that it is estimated there will be a 5 percent reduction in the planting of corn.

Mr. HUMPHREY. Yes.

Mr. CARLSON. If 5 million acres are put into the soil bank, that is less than 5 percent.

Mr. HUMPHREY. Yes.

Mr. CARLSON. How are we going to justify that?

Mr. HUMPHREY. I think some of the average went into soybeans, because prices for soybeans have been good, and in some cases have been above the price supports. I hope more farmers will plant their land to soybeans, because that crop seems to have a good market and a good price structure. The drought has taken its toll on some lands. I think 5 percent would be a fair estimate of the reduction we can now expect in our major areas unless this bill is enacted. If it were more, corn production would be cut down and a better market for other feed grains would be made available. All these questions are related. The Senator comes from an area where

large quantities of grain sorghums are produced.

Mr. CARLSON. The farmers in my State raise commercial corn, wheat, and feed grains.

Mr. HUMPHREY. I know they do, and I know the Senator is deeply concerned about and very well informed on the farm problem.

Mr. CARLSON. I am concerned to this extent: Whatever we do by way of legislation, I hope we will keep in mind that the long-range program will not result in the production of certain crops in areas where such crops do not naturally grow, and will not create new feed grain sections and corn sections and wheat sections. That is a real problem.

Mr. HUMPHREY. Under the proposal advanced by the committee, 51 million acres is the base, and the 15 percent, whether taken out of corn acreage or other tillable acres, will be land set aside and not produced upon. It will not go into alternative crops. It will be set aside as nonproductive land.

There is no intention, in the bill before the Senate, to increase the production of any competing commodity or feed. The only question is whether the measure will be as effective a piece of legislation as some of us would like to have. I am not making the argument that this is a perfect piece of proposed legislation. It did not meet all the requirements the junior Senator from Minnesota thought it should meet. That is all right. I am sometimes a minority of one in the committee. The chairman respects our right to have differences in our points of view.

The bill does meet the approval of a substantial majority of the committee. I am convinced that the bill meets the requirements laid down by the Department of Agriculture as to acreage, soil-bank participation, and feed-grain programming. It meets the requirements laid down in the testimony of Mr. Woolley, of the American Farm Bureau Federation. I have letters from State and county farm bureau groups in support of the bill.

The bill meets in part the requirements laid down by the National Farmers Union. That organization wanted a much more comprehensive program than the bill provides. The bill meets the requirements laid down by the National Grange for emergency requirements. I conclude by saying that what we really need is a better program.

Mr. CARLSON. I had some misgivings about the program, but the Senator from Minnesota has been so convincing that I think I shall vote for the bill.

Mr. HUMPHREY. I thank the Senator.

Mr. SCHOEPEL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SCHOEPEL. I apologize for not having been present earlier in the discussion. I know the Senator from Minnesota has been active and has taken a most laudable position in trying to work out the corn problem, which is troublesome at best. My colleague [Mr. CARLSON] and I are vitally interested in what

the impact of this proposed legislation is going to be upon the overall grain economy of our area or section.

I note on page 6 of the report, in table No. 2, the 1957 acreage reserve fund utilization.

Mr. HUMPHREY. Yes.

Mr. SCHOEPEL. There are four columns contained in the table. The first column shows the "Maximum permitted in any crop year." The Senator from Minnesota will observe the amount of money which is permitted there, in millions of dollars, as well as the allocations, which are set forth.

Mr. HUMPHREY. Yes.

Mr. SCHOEPEL. The third column shows the "Maximum payment as of March 22, 1957."

There is one thing which concerns me, namely, the amount available for reallocation to corn.

Mr. HUMPHREY. Yes.

Mr. SCHOEPEL. I am also concerned about wheat. For instance, the amount available for reallocation to corn from cotton is \$60.5 million; from rice, \$500,000; from tobacco, \$16.1 million; and from wheat, \$32.6 million.

Is this to be a precedent-establishing proposition? Those of us who come from wheat-raising areas are vitally concerned. Does the action proposed mean that funds which have been allocated to and which could be utilized for wheat will be expended in the corn area? That is what concerns me.

Mr. HUMPHREY. I think the Senator has a right to be concerned. I tried to be candid and frank about this matter a few moments ago, when I said that the moneys which would be available for this particular program, as outlined in the bill, over and above the money now available, would have to come from the unused portions of funds allocated to other crops.

I do not wish to have what is done considered a precedent, I will say to the Senator from Kansas. I would deem it unfortunate if it should be so considered.

The Congress felt a soil-bank program of about \$1.5 billion was required. Since the total feed-supply situation is the issue involved here, and corn seems to be one of the commodities which is not under control, we might be wise to utilize the funds to control the production of corn.

Mr. SCHOEPEL. If the distinguished Senator will yield further, I am concerned about the point my colleague touched upon a while ago, when he asked whether there would be an opportunity for additional acreage to go into the soil bank.

Mr. HUMPHREY. Yes; there will be.

Mr. SCHOEPEL. We were clipped pretty short in Kansas, as the Senator knows.

Mr. HUMPHREY. Yes.

Mr. SCHOEPEL. If this is to be considered as establishing a precedent, the Senator can readily understand how a number of farmers in my area, who grow wheat and who would like to put some of their acreage into the soil bank, will feel, as they observe the money going into the corn area, under a rather liberal

program, from their view. Under those circumstances, they are going to be concerned.

Mr. HUMPHREY. The Senator raises a very familiar question. I am not here with any readymade answers, to please everybody. All I can say is that it was the view of the representatives of the Department who consulted with us that what is proposed represented a workable program which would be helpful, and that the moneys were available. It is not to be looked upon as a precedent.

Mr. SCHOEPEL. It is only for 1 year.

Mr. HUMPHREY. Absolutely, for only 1 year.

In section 3 of the bill, as the Senator is aware, we have made it quite clear that we are unhappy with the year-by-year approach. We have to take a look at the total feed-grain situation, which includes wheat, as well as corn and the other feed grains.

To be very candid, I may say that this program is at best an emergency program. I make no claim that it is perfect. It has its limitations. I believe that all of us who are engaging in this colloquy, at least, ought to understand that the proposed legislation is not to be interpreted as establishing a precedent for dipping into the funds allocated to other commodities.

I wish to thank the Senator from Kansas very much for his questions.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. ELLENDER. I should like to point out, for the record, that up to March 29 the number of acres offered for the soil bank was 5,560,465, and it will take \$500,000 more than has been allotted for the corn program to cover payments for the acreage.

As the Senator knows, the corn program has an allotment of \$217 million, and \$217,500,000 is required for the acres already promised, which are to come under the soil bank under the present program.

Mr. HUMPHREY. The Senator is correct.

I wish to say to the Senator from Kansas that the signup features have already been closed on other commodities, so that no one who is in is going to be pushed out. Those who are in are protected. That is a contract obligation.

Mr. KEFAUVER and Mr. COOPER rose.

Mr. HUMPHREY. Will the Senator from Kentucky [Mr. COOPER] permit me to yield to the Senator from Tennessee [Mr. KEFAUVER], and then I shall yield to the Senator from Kentucky.

Mr. KEFAUVER. I thank the Senator.

The Senator has given a very excellent explanation of the bill. Judging from his explanation, it would appear that the farmers who produce corn certainly have a program which is well thought out, and which will afford them better prices generally for their products, without creating a temptation to grow an extra amount, as they did last year. Is that not correct?

Mr. HUMPHREY. The Senator is correct.

Mr. KEFAUVER. The Senator said this proposal would increase the soil-bank payments to corn producers to some extent. Has there been any estimate of the amount of such increase?

Mr. HUMPHREY. The maximum amount which would be permissible, if all the unused funds were to be used, would be approximately another \$100 million.

Mr. ELLENDER. It is \$300 million altogether.

Mr. HUMPHREY. It is about \$300 million altogether; is that correct?

Mr. ELLENDER. The Senator is correct.

Mr. HUMPHREY. The chairman of the committee assures me it is about \$300 million altogether.

Mr. KEFAUVER. The chart on page 136 of the hearings before the Committee on Agriculture and Forestry gives the total number of acres planted to corn last year as being 56,275,000.

Mr. HUMPHREY. That is the commercial corn area.

Mr. KEFAUVER. What was the additional acreage for the noncommercial area?

Mr. HUMPHREY. Approximately 85 million acres is the traditional amount of planting. It varies somewhat from year to year.

Mr. ELLENDER. It was 75 million acres plus.

Mr. HUMPHREY. The Senator from Louisiana says the total was 75 million acres plus.

Mr. ELLENDER. Seventy-five million nine hundred and fifty thousand.

Mr. HUMPHREY. I believe in the highest year the total was about 85 million acres. The 1954-55 average was 83 million. It was up in the eighty millions, and last year it dropped down to about 75 million acres.

Mr. ELLENDER. Sixty-five million nine hundred and fifty thousand.

Mr. KEFAUVER. I believe the Senator feels that reducing the price the Secretary could pay to noncompliers to about \$1.01 per bushel, whereas last year they received \$1.25 per bushel, would have a tendency to reduce substantially the number of acres which would be planted to corn.

Mr. HUMPHREY. That is my view. As compared to the present situation, the pending bill would make it possible for a larger number of farmers to come in under the protections of the provisions of the soil bank. There is an incentive for them to take acres out of production, and then put such acres into the acreage reserve or into the conservation reserve, thereby reducing either the production of corn or of some competing feed grain.

Mr. KEFAUVER. If we assume that this year there will be a repetition of what happened last year, with the payment of a \$1.25 support to noncompliers, this program perhaps will not cost any more than the program which was applied to corn last year.

Mr. HUMPHREY. It will cost less.

Mr. KEFAUVER. Have any estimates been made as to how this cost can be calculated, in comparison with the cost of last year?

Mr. HUMPHREY. I do not have such an estimate myself. The chairman of the committee may have some information he desires to present a little later.

When I talk about costs, I believe I should make it clear that the cost for last year is being felt this year in the cash price of corn, because by paying the fixed price of \$1.25 to noncompliers—farmers who planted any and all they wished to—the market was glutted, which forced the cash price down. That is the loss. The loss was not so much a loss to the Federal Treasury as it was a loss to the individual treasury, or individual resources of farm producers.

Does the Senator from Louisiana desire to add to that?

Mr. ELLENDER. The cost of the program last year was just under \$180 million, and the production of corn increased 21 million bushels. So the soil-bank program did not work at all last year. As I pointed out in the debate, it cost the taxpayers almost \$180 million, and resulted in the production of more corn than was produced the year before.

Mr. KEFAUVER. That makes it all the more difficult to deal with the corn program this year.

Mr. HUMPHREY. It does, indeed. Last year a great deal of the corn acreage which went into the soil bank was acreage already somewhat destroyed by drought, or other conditions of nature. The gate was held open for a long time, to enable the program to include producers who, perhaps, should not have been included under that program, but under a drought-relief program.

Mr. KEFAUVER. I think the Senator has a very good stopgap program, and I certainly shall support it. This is a very important bill to the farmers of Tennessee, who have been turning to corn and livestock for crops in increasing numbers through the years.

To indicate the importance to Tennessee, where the farmers have been experiencing decreased incomes as they have in the rest of the Nation, we need only look at the fact that the crop there is about 48 million bushels. Of course, not all this corn is sold. Much of it is fed to livestock, and it is the basis for between one hundred and sixty and one hundred and seventy million dollars in annual livestock production in addition to the income from that portion of the corn that is sold.

I think this is a good bill. Furthermore, I am particularly in favor of the provisions which would mean some additional 85,000 acres in Tennessee in the soil bank, in order to rebuild the soil.

President Eisenhower and Mr. Benson have made the soil bank a key point in their agricultural program—now let us give them the authority to use it to its utmost.

I join with those urging passage of this measure.

Mr. HUMPHREY. I am very grateful to the Senator, not only for his support, but for his keen interest in the program. As the Senator says, it is not a program which will necessarily meet all the requirements, but it is an improvement over what we have had, and perhaps the best we can do.

Mr. ELLENDER rose.

Mr. HUMPHREY. Does the Senator from Louisiana wish to supplement the RECORD?

Mr. ELLENDER. To be perfectly frank, what really caused the great production of corn last year was good weather. It rained at the right time. I have before me a chart showing the situation with respect to the State of Missouri. As I pointed out to my good friend from Missouri [Mr. SYMINGTON] a moment ago, the acreage was 291,657 less than that for the previous year, and yet, because of good weather conditions which prevailed, 22,003,000 more bushels of corn were produced. I believe that condition was due entirely to good weather.

Mr. HUMPHREY. So it is fair to say that if there had not been acres taken out of production, with the good weather which prevailed the result would have been an even greater surplus.

Mr. ELLENDER. Therefore I would not say that all of the soil bank acreage was taken out of the drought area.

Mr. HUMPHREY. Not all of it.

Mr. ELLENDER. A good portion of it was taken from big corn-producing States such as Iowa, which had 1,298,414 acres in the soil bank.

Mr. HUMPHREY. Let me say to my good friend from Louisiana that while it may have been raining in Louisiana, it was drier than a bone in some sections of Iowa last year.

Mr. ELLENDER. Iowa produced, on 33,000 acres less land in 1956 as compared with 1955, only 521,000 bushels less than in the previous year.

Mr. HUMPHREY. I am not an expert on Iowa corn production, but I see that the expert is present in the Chamber, and I know we shall hear from him.

Mr. ELLENDER. I am certain that that condition was due primarily to good weather conditions at the right time.

Mr. HUMPHREY. I shall reserve any comment on that feature of this debate for the Senator from Iowa, who is prepared to defend not only the honor and reputation and the other great qualities of his State, but also the legitimacy of his argument.

At this point I should like to yield to the Senator from Kentucky [Mr. COOPER].

Mr. COOPER. Mr. President, I congratulate the distinguished Senator on the effort he has made to develop a program which will be more helpful to the corn producers in the future. The Senator has perhaps already discussed some of the questions which I should like to direct to him.

Mr. HUMPHREY. I shall be glad to have the Senator from Kentucky ask me any questions he has in mind.

Mr. COOPER. My questions are directed to the consequences which the bill, if passed, would have upon farmers who have already placed a part of their acreage in the soil bank, under the acreage-reserve program. Let me give the Senator a specific and concrete example.

In my own State of Kentucky 190,165 acres have been placed in the acreage reserve. That, of course, was done after the referendum of last December.

Would the bill, if enacted into law, in any way affect the validity of the contracts which have been signed?

Mr. HUMPHREY. No. I should say that while the contracts might be subject to being reopened, it will only be for the purpose of adding more acres. The Department personnel who worked with us, and who commented on the question of the validity of the contracts, indicated that if more acres were made available to the soil bank, a contract could be amended to include more.

Mr. COOPER. What about the payments?

Mr. HUMPHREY. The payments would remain as originally established by Congress.

Mr. COOPER. As the Senator has said, if more acreage were made available than is available under the present contracts, the contracts could be amended to include more. If any addition should be made available, it might be possible to place 15 percent of the additional acreage in the soil bank.

Mr. HUMPHREY. That is right—either in the acreage reserve or in the conservation reserve.

Mr. COOPER. What consequences would the passage of the bill have upon the price supports of the farmers who have made their plans under the referendum which was taken?

Mr. HUMPHREY. The Department has assured us that it contemplates supporting corn at about \$1.36. That would be the minimum. It would not go below that figure. The Department would see to it that it did not go below 75 percent of parity. Under the referendum proposal, it could have come from zero to 90 percent. Under the proposed legislation, it would be no lower than 75 and no higher than 90. The farmers could not lose. They would be guaranteed a minimum of 75 percent, and a maximum of no more than 90 percent.

Mr. COOPER. Consider the case of a farmer who has already placed certain acreage in the soil-bank acreage reserve. If his total allotment were increased, he would not be required to increase his acreage reserve or conservation reserve beyond 15 percent of any increase, would he?

Mr. HUMPHREY. No. That is a question concerning which I have sent a telegram to the Secretary requesting a specific answer. It was my understanding, from conversation with the Department officials who were with us, that there would be no such requirement, since such a contract would be valid. But I want it honored, and I know that is what the Senator wants, so he can assure his producers. I shall insert in the RECORD a copy of my telegram to Secretary Benson, with a series of four questions which relate to the very point which the Senator is now making.

Mr. COOPER. I thank the Senator.

Mr. HUMPHREY. I am very grateful to the Senator for his participation.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CARROLL. I, too, desire to congratulate the distinguished junior Sen-

ator from Minnesota for a very penetrating analysis of this most difficult subject. He has been very helpful to the junior Senator from Colorado. This is a very complex and difficult bill. I should like to ask a question, in simple terms, so that I can take the answer back home and talk with cattlemen about it.

I should like to have the Senator state again, if he will, why it is necessary to have a price support for corn, in view of the greatest carryover in history, and, in the year 1956, the second greatest corn production, I believe, in the history of the United States. If those be the facts, why is it necessary that we have this legislation? Perhaps I shall add another question. If I correctly understand the Senator's remarks, operating under the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949 the acreage allotment for this year is 37.3 million acres.

Mr. HUMPHREY. For this year.

Mr. CARROLL. Yes. However, in 1956 the Congress itself moved the acreage up to 51 million acres.

Mr. HUMPHREY. Last year.

Mr. CARROLL. Last year—1956. Now we are confronted with this question: If we do nothing, if we do not pass the pending bill, what will be the effect upon the agricultural situation generally, not only with reference to corn, but with reference to other feed grains? What will be the effect upon the livestock and poultry industries? I know the Senator has covered this question from a technical standpoint. But I hear this story at home: the cattlemen and small bankers in the cattle-producing areas are under the impression that the high price of corn is reflected in the price of other feed grains. They argue that it affects cattle prices and poultry prices.

Let me read from the testimony of Mr. Frank C. Woolley, legislative counsel of the American Farm Bureau Federation, on page 56 of the printed hearings:

In the case of the Corn Belt, the Government has held the price of corn up so high that large supplies of corn have been held off the market. This has induced farmers outside the Corn Belt to go into the production of feed grains. They have taken their own resources plus Government price support and other assistance and gone into the production of feed. By producing feed from these resources they have increased livestock production. Increased livestock and poultry production throughout the entire country has weakened prices for farmers inside and outside the Corn Belt.

We in Colorado are not in a great commercial producing area. We have some corn acreage, but it is mostly used for feed, and I do not believe there is much participation in either the soil bank, or the price-support program. I am concerned, however, with the effect of this bill upon the cattle and poultry industries. Therefore, I was much impressed by what the Senator had to say particularly with relation to the whole feed grain economic situation.

Again I thank the Senator for his explanation because I believe this whole problem affects the cattle business.

Mr. HUMPHREY. It does have relationship, of course. What I have said is

not only my own opinion, because I do not have great personal experience in this field, but it is the opinion also of men in the cattle business and of experts in the Department of Agriculture who have studied the subject for many years. They agree that cheap feed ultimately means greater production of hogs and cattle, and that in turn means surpluses. Surpluses, of course, in turn, mean depressed prices.

There used to be a school of thought in this country which held that if it were possible to get cheap feed in the Midwest, it might be beneficial to the East or to the Far West or to the South.

What happens is that if it becomes cheap in one part of the country it becomes contagious and extends throughout the country, right down the line.

A farmer is entitled to a fair price. A price support of 70 percent for feed grains is 30 percent less than fair. The corn program provides a minimum of 75 percent. That is about what the price-support level will be, or perhaps about 77 percent, this year. That is not a very high price. What I have said is not only my own opinion but has been expressed by every witness who came before us, including even Mr. Woolley. Mr. Woolley in his testimony had some comment to make with reference to cheap feed-grain prices. He said:

The "cheap feed means cheap livestock" argument doesn't commence in the right place. It would be more accurate and meaningful to say "surplus feed means cheap feed and cheap livestock."

In the main I agree with that statement. How do we get our surplus feed? Farmers need so much money with which to operate. If a farmer cannot earn a living by working 40 hours a week, he works 60 hours a week. If he cannot make a living from 5,000 bushels of wheat, because the price does not give him sufficient income, he produces 8,000 bushels of wheat. It becomes a vicious circle. He keeps producing more and getting less. That situation is as old as any truism in agricultural economics.

I would disagree with Mr. Woolley in this sense, that one of the reasons farmers in certain areas have gone into the production of competitive crops is that the crop which was historically or traditionally raised in their area was so restricted in production and in price that the farmers could not stay in business when they took severe acreage limitations, and so they had to plant something else in order to stay in business. That is the reason why, basically, the junior Senator from Minnesota has supported high price supports. I have worked on the proposition that if it is possible to get a minimum price which is reasonable, it will be possible to produce less and to enforce the lower production, because the farmer would then have enough take-home pay from what he produced and would not have to produce higher and higher amounts.

Mr. CARROLL. What the Senator is saying, then, is that if the bill is not passed, under existing law production will be increased. Is that correct?

Mr. HUMPHREY. I surely believe so.

If the bill is not passed we can look forward to more feed grain production and more corn production, particularly more of the competitive feed grains.

Mr. CARROLL. And the reason for that is—

Mr. HUMPHREY. For the simple reason that there are not enough acres available under existing law to be brought into the program so that it is possible to curb production adequately in order to limit supply.

Mr. CARROLL. Then by price supports, in effect, what we are doing is curbing production. Is that correct?

Mr. HUMPHREY. We are helping to do that. This bill does not contain all I should like to see in it. I believe if we offered farmers \$1.50 a bushel by way of price support, if they complied with controls, we would go a long way toward solving the problem. How would they comply? They would comply by taking 15 of their corn acres out of production. We would guarantee them a \$1.50 guaranteed corn price, and they would cut their corn acreage by 15 percent.

Under the pending bill, as the chairman has indicated, we have it both ways. A farmer can cut his corn acreage 15 percent to get the maximum benefits or he can go into his other tillable acres under the conservation acreage reserve program and cut them by an equivalent 15 percent and still get the price support benefits.

Mr. CARROLL. I have one further question to ask of the Senator. Do I correctly understand the Senator to say that if we pass the pending bill, we can look forward to a further treatment of the feed-grain problem by Congress, not only in relation to corn, but—

Mr. HUMPHREY. If we pass the bill, and if it is passed by the other House, we will have given a mandate to the Department of Agriculture to come before Congress not later than June 1 with a total feed-grain program, which will mean a great deal to the State of Colorado, I may say to the Senator.

Mr. CARROLL. Certainly. The Senator from Louisiana and the Senator from Minnesota, the agricultural experts in Congress, and the leading economists in the Nation have been saying that one of the softest spots in our economy is agriculture. If we were to pass this bill, would it be a step forward; would it be a springboard from which we could move forward in an attempt to solve the very important overall agricultural question?

Mr. HUMPHREY. It might not be as long a step forward as the Senator from Louisiana or the junior Senator from Minnesota would like to have taken at this time, but it would be a step forward. Certainly it would be an inching along toward improving the situation.

Mr. CARROLL. I wondered whether this would be a springboard for a further program.

Mr. HUMPHREY. The Senator is correct.

Mr. CARROLL. I desire to thank the Senator from Minnesota. He has been very helpful.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HUMPHREY. Will the Senator permit me to complete a few more pages of my prepared statement and present some material for the record before I yield to him? I should like to complete my remarks on this subject before yielding again.

Mr. CASE of South Dakota. Certainly.

Mr. HUMPHREY. Senators who have been more concerned about other feed grains than corn would be doing a disservice to their producers—and I am sure their producers will so regard it—if they turn down this opportunity to start work on farm legislation covering their commodities a year in advance instead of waiting until planting time is at hand next year.

It is not too late for substantial benefits this year in the major corn producing areas, and what happens in those areas will affect the markets for every other area of the country.

The effect of this measure will be to expand acreage taken out of production and put into the soil bank.

It does not cancel in any way the existing contracts the Department has signed with producers.

The Department has indicated that under existing authorizations and budgets it can allocate \$100 million for taking additional corn land out of production if this measure is enacted.

It would give first priority to farmers who have already shown a desire to comply with controls by signing up with the soil bank, allowing them to increase corn acreage in the acreage reserve up to 15 percent of the respective corn base.

All other corn farms in the commercial corn area would be allowed to sign agreements for the larger of five acres or 15 percent of the farm corn soil bank base.

It is strange to hear desk-bound farm spokesmen in Washington talk about the proposed legislation as being "too late," when farmers in the area most directly concerned say just the opposite.

Let me read a letter from the Cedar County Farm Bureau in Iowa:

CEDAR COUNTY FARM BUREAU,
Tipton, Iowa, March 30, 1957.

HON. HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: You are to be commended for your efforts in attempting to join with your colleagues to develop a bipartisan corn program which passed the Agriculture Committee. I am sure that corn farmers and Farm Bureau leaders in Iowa would heartily endorse this program at least for this year until we can work out a program that will apply to all feed grains over a longer period of time.

Needless to say I was shocked, disappointed, and quite upset about the testimony offered by Frank Wooley, of the American Farm Bureau Federation, after all the effort we in Iowa have put forth to achieve a planter-box choice type of legislation. Certainly your bipartisan legislation would not be as costly or as damaging as the prospects of price-supported noncompliance corn.

I would like to personally be on record as very much in favor of the enlarge base acreage plan with the opportunity for greater compliance. There is still plenty of time to initiate this program if acted upon soon.

I do not know what caused this change in attitude, and until I receive some better reasons than those advanced by Mr. Wooley, I must support your program and wish you success with it. We must have it.

Sincerely,

CARROLL L. CAUDLE,
Fieldman.

All the other mail I have received from Iowa seems to agree. Here is the telegram I have received from the president of the National Farmers' Organization at Corning, Iowa:

Senator HUBERT HUMPHREY,
United States Senate,

Washington, D. C.:

The National Farmers Organization would like to compliment you and the other Senators on your efforts to pass emergency legislation for corn this year. Planting season is here and we must prevent a complete breakdown on the corn program. The N. F. O. will support the bill that you have presented. It is the best possible corn legislation that has a chance to pass at this late date. This bill would give us something to build on in the future. The fifty-one-million base acreage is a realistic allotment and the bill will retain corn as a basic crop, both very important. We especially like the provision to face the problem of total feed grain supply in the near future. We are still 100 percent of parity because we feel this is only fair for the farmers, but under the present circumstances we feel that all farm organizations should support this bill if they are interested in partially correcting a serious situation because the December 11 referendum left the farmers little to choose between.

OREN LEE STALEY,
President, National Farmers Organization, Corning, Iowa.

Here is another letter, this one from State Representative Albert Lund, of Iowa, a member of the agriculture committee of the Iowa Legislature. He says:

MARCH 27, 1957.

Hon. HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR: I am a farmer and have always made my living that way. In my humble opinion the 51-million-acre commercial area allotment and support at \$1.36 will do more than anything else to relieve some of the cost-price squeeze that we find ourselves in today. I sincerely hope that you and your cosponsors succeed in carrying the corn bill to fruition. Your efforts in our behalf are certainly appreciated.

Sincerely,

ALBERT LUND,
State Representative.

These are random samples I have received, typical of the rest.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CASE of South Dakota. I was struck by a phrase used in some of the letters which the Senator from Minnesota has been reading. I certainly agree with the person who suggested that to proceed on the 37-million-acre base would be unrealistic. Fifty-one million acres actually is the minimum base which should be established, especially in view of the fact that the number of commercial corn-growing counties has increased during the past year.

In my own State, there has been only about a 40-percent compliance with corn allotments during the past few years,

even when based on 49 million or 51 million acres.

To try to base the corn allotment on 37 million acres would mean that there would be no compliance at all. The production of corn would increase, and the problems attendant upon that happening would follow. I certainly believe we should proceed with the proposed legislation.

As to the question of whether there is still time—even in Iowa, which is south of South Dakota, corn planting will not be underway for another month. So there certainly is time to enact legislation, and I commend the Committee on Agriculture and Forestry for reporting the bill. I hope it will be passed, and that the House will concur in it.

Mr. HUMPHREY. I am most grateful to the Senator from South Dakota for his support. He understands the farm situation in his State, and his words of encouragement are very helpful. I thank him sincerely.

Mr. SYMINGTON. Mr. President, will the Senator from Minnesota yield for a short statement by me, and then for some questions?

Mr. HUMPHREY. I am always happy to yield to my friend and colleague from Missouri.

Mr. SYMINGTON. It is always a pleasure to discuss farm matters with the great expert, the distinguished junior Senator from Minnesota.

Mr. President, the Senate is considering a bill to amend the Agricultural Act of 1956, with respect to the 1957 corn crop.

In general, I am in favor of the provisions of the bill.

I believe that if the soil bank is to be made an effective tool in solving our farm problems, there must be a high degree of participation in the program. It was for that reason that I cosponsored with the Senator from Minnesota [Mr. HUMPHREY] a bill which we felt would have provided the necessary incentive to the farmer to participate in the soil bank.

That bill—S. 1362—provided for a 51 million acre corn allotment, with the price support at \$1.50.

The bill required that the cooperator reduce his corn plantings 15 percent of the allotted corn acreage.

It would have provided the incentive to the farmer to participate in the program.

It would have substantially reduced corn production in the 1957 year.

The committee bill which is before the Senate today—S. 1771—is also designed to get the necessary participation. It should result in a more effective soil bank than there is under existing law.

But, lest we forget, let it be stated again that it is a temporary measure—for the 1957 crop only. That is our immediate problem, and therefore I urge its enactment.

It is essential, however, that we begin immediately to seek more permanent legislation, which would include all feed grains. This is a logical approach to our feed grain and livestock problems.

Corn is but one of several crops which are used almost exclusively as feed for

livestock. Barley, oats, and the grain sorghums are excellent substitutes for corn and are widely used today. Farmers will naturally shift to the crop that offers the most attractive opportunity to make a profit.

Therefore, unless we approach the problem from the standpoint of all grains, not simply corn, we will never obtain an effective program.

Mr. President, I am certain that all of us are aware of the high inverse relationship between the price of feed grains and livestock numbers. When the prices of feed grains fall, farmers throughout the Nation feed more cattle and hogs. In reality, they are marketing the lower priced feed grains.

This would be fine, except for another inverse relationship between livestock numbers and livestock prices. As more and more farmers use the cheap feed grains to market more and more livestock, the obvious occurs. Livestock prices drop to ridiculously low levels. We saw the results in the fall of 1955, when cattle prices were below \$20 per hundredweight and hog prices were down to \$10.

Therefore, when we consider proposed price-support legislation on any of the feed grains, we are, in reality, also preventing livestock prices from dropping to disastrous levels.

Mr. President, there is one other point about this bill regarding which I have serious reservations.

Under the existing law, the deadline for the sign-up of corn producers under the acreage reserve section of the Soil Bank Act was March 8. The Department had announced maximum limits for individual participation of 20 acres, or 30 percent of the corn allotment or base, whichever was greater. At the same time, farmers could list additional overlimit acreage to go into the soil bank, if they so desired.

The USDA stated that, if funds were available, this overlimit acreage would be accepted. The Department is now accepting any additional acreage that was offered prior to March 8.

After 5 years of prolonged drought, the soil moisture level in many counties in Missouri is so low that prospects of a good crop this year are slim. Therefore, many Missouri farmers elected to offer additional acreage—over and above the 20 acres or 30 percent limitation. The latest figures I have show that in Missouri this amounts to 130,000 acres from about 9,000 farmers.

These farmers, in good faith, signed binding contracts with the Government to place this additional overlimit acreage in the soil bank. They are bound, under penalty of a civil suit, to carry out their part of the agreement.

The Department has announced that, if legislation is enacted by this Congress, it will be possible for corn producers to place increased acreage in the soil bank.

But as I understand the letter of the Secretary of Agriculture to the Senate Agriculture Committee, that letter does not specifically commit the Department of Agriculture to honor the agreements made by the Department with the corn

producers concerning overlit signed corn agreements.

Are these agreements to be honored? That is what the Senator from Missouri wants to know. Let me ask my good friend, the Senator from Minnesota, whether he believes they are to be honored.

Mr. HUMPHREY. It is my belief that they are to be honored. That is the understanding I have as a result of conversations with representatives of the Department.

Let me point out that this matter has been taken up with the Secretary of Agriculture; and in my wire of yesterday to the Secretary of Agriculture, I specifically asked this question:

If S. 1771 is enacted, would the Department specifically honor the existing overlit corn agreements it has made with corn producers under the soil bank?

I believe that is what the Senator from Missouri wishes to know.

Mr. SYMINGTON. That is correct.

Mr. HUMPHREY. I am hopeful that the Secretary of Agriculture will respond today to my telegram. I have been waiting all day for his response. My wire went to the Department of Agriculture yesterday, at about 3 p. m.; and a reply should be received today from the Department; or, if not today, on tomorrow. I am sure we shall receive it before we vote on the bill.

Mr. SYMINGTON. Mr. President, will the Senator from Minnesota yield for a brief statement?

The PRESIDING OFFICER (Mr. Cotton in the chair). Does the Senator from Minnesota yield to the Senator from Missouri?

Mr. HUMPHREY. Certainly, Mr. President.

Mr. SYMINGTON. Mr. President, it must be clear that this reopening will not cancel any of the contracts which many Missouri farmers—and other farmers throughout the country—have signed. These farmers signed these contracts in good faith; they have made their plans accordingly; they have a right to expect them to be carried out.

By the same token, merely because farmers have signed up under the existing law, they should not be prevented from participating in any new legislation that is enacted. The Department has agreed to that.

I am willing to support this bill only if the farmers of Missouri and the Nation are protected against discrimination resulting from the current confusion.

Again let me ask, Are these agreements, already signed on overlit corn acres, going to be honored?

Mr. HUMPHREY. Yes. Let me add that the testimony given by the representatives of the Department indicated that farmers who have been compliers in the past will be given first priority in the case of new acres made available under this program.

Mr. SYMINGTON. Does the Senator from Minnesota agree that that will be the fair way to proceed?

Mr. HUMPHREY. Yes; that will be the fair way to do it. I am sure we shall have the specific answer of the

Department in response to my letter. I want the farmers to be assured in writing, in response to the questions the Senator from Missouri has asked.

Mr. SYMINGTON. I thank the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD my telegram of yesterday to the Secretary of Agriculture, Ezra Taft Benson. The wire sets forth the questions which have repeatedly been asked this afternoon by Members of the Senate who are keenly concerned about the proposed legislation.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

APRIL 8, 1957.

HON. EZRA TAFT BENSON,
Secretary of Agriculture,
Washington, D. C.:

Request immediate answer to these questions:

1. Do you feel there would be more, or less, participation by corn producers in soil bank in 1957 if S. 1771 is enacted?

2. Do you feel there would be more, or less, corn production in 1957 if S. 1771 is enacted?

3. Do you feel that CCC would be called upon to take over less, or more, corn or other feed grains as a result of support loans on the 1957 crop if S. 1771 is enacted?

4. If S. 1771 is enacted would the Department specifically honor the existing overlit corn agreements it has made with corn producers under the soil bank?

HUBERT H. HUMPHREY,
United States Senator.

Mr. HUMPHREY. Mr. President, in conclusion I wish to submit certain telegrams I have received, which are in support of the pending bill.

The Farmers Union in Iowa has taken a stand similar to that I have already recited on the part of other farm organizations. I have before me a telegram from the O'Brien County Farmers Union of Iowa, which supports this measure. The telegram reads as follows:

SHELDON, IOWA, March 27, 1957.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.:

We members of Farmers National Union of O'Brien County, Iowa, passed a resolution to lend our support to the bill allowing 51 million acres of corn to be planted in 1957 in the Corn Belt as emergency legislation for this year, but in no way deviating from our long-range program of supports at 90 percent of parity or more.

E. DALE GRAHAM,
Secretary-Treasurer.

Mr. President, I wish the RECORD to note also that the official publication of the Iowa Farm Bureau, known as the Farm Bureau Spokesman, in the issue for Saturday, April 6, 1957, volume 23, No. 32, has, as its lead article, one, entitled "It Is Late, but Last Ditch Effort Underway for 1957 Corn Base Program—Farm Bureau Supports the Legislation, but Delay Now Could Be Fatal."

I ask unanimous consent that the entire article be printed at this point in the RECORD, as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT IS LATE, BUT LAST DITCH EFFORT UNDERWAY FOR 1957 CORN BASE PROGRAM—FARM BUREAU SUPPORTS THE LEGISLATION, BUT DELAY NOW COULD BE FATAL

Midwest Senators, including our own, are currently making a last-ditch effort to put corn legislation on the books. Their push developed after the House failed to find agreement even on a bipartisan compromise bill.

Like most of the other proposals, the Senate bill would jack up the commercial area corn base to 51 million acres—a level which we feel would be workable, and would be somewhat in line with the acreage floors established by law for certain of the other major crops.

The question now, of course, is no longer one of support for this kind of bill. Farm bureau sought the 51 million acre base last fall prior to the referendum. We have testified repeatedly in support of legislation which would establish a base at that level. Each of our county farm bureaus in Iowa sent a farmer to Washington last month to add local support for such a bill. We're still for it—will be until we get it.

(And, although there was some difference of opinion on the matter of the 51-million base versus the 37-million allotments last fall, the other farm organizations have since come over to the farm bureau side and are now also supporting a base at 51 million acres.)

The question, then, becomes one of time. Small grain is being seeded in Iowa now. Farmers would not want to plow up oats or legume seedings to plant corn. Regardless, plans have been made in most instances. Some 38,000 farmers have signed for the present version of the soil bank, under the low allotments.

Each day's delay at this point means an additional handicap to effective use of new legislation during the 1957 season. Most of us still have vivid memories of the difficulties the late-starting soil bank ran into a year ago. An AFBF spokesman pointed up the problems of tardy legislation in a recent letter to Senator ELLENDER.

Most farmers, then, are agreed that we need the legislation. Most farmers are also well aware that "too late" can be as bad a handicap as "too little." Should the bill—with its wide support from all groups in the Midwest—move through the Senate-House, compromise committee and into law within a few days, farmers will do their level best to make it work. Any additional delay can be fatal.

Mr. HUMPHREY. Mr. President, again I note for the record that the Iowa Farm Bureau states that—

Each of our county farm bureaus in Iowa sent a farmer to Washington last month to add local support for such a bill—

Referring to the bill now before us, Mr. President—

We are still for it * * * will be until we get it.

That is a very pertinent phrase and a very important statement from this great farm organization in the State of Iowa, because it so happens that the national legislative representative in Washington has given to the Members of the Senate an indication contrary to that view. But I am happy to note that the farm bureaus out in the field, where farmers farm—where they are not desk farmers, but are dirt farmers—are supporting this proposed legislation. They are not supporting it because they think it is perfect, but supporting it because they think it offers a better opportunity for an effective farm program.

Mr. President, at this point I wish to read into the RECORD a telegram from officials of the Minnesota House of Representatives, announcing a unanimous vote in support of raising the allotment for the corn base acreage to 51 million acres.

The telegram reads as follows:

Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

For your information house of representatives passed H. F. 1433 on March 19 by unanimous vote in support of corn soil bank program as follows. A concurrent resolution memorializing the President, the Secretary of Agriculture, and the Congress of the United States to establish a minimum corn soil bank program. Whereas corn is the major field crop produced in Minnesota and whereas the market price of corn influences the production and price of livestock dairy products and feed grains. And whereas it is essential to hold corn production in line and at the same time maintain a fair level of farm income and whereas under the present corn soil bank program the average cut to 37 million acres is so drastic that the majority of corn farmers are unable to participate in the program. Now therefore be it resolved by the house of representatives (the senate concurring) that the President of the United States, the United States Secretary of Agriculture, and the Congress of the United States be requested to enact a minimum corn soil bank program establishing (1) a minimum corn acreage base in the commercial area of 51 million acres, (2) a support price on corn of \$1.50 for 1957 the same level as that established for 1956, and (3) a production requirement that each producer put 15 percent of his corn acreage allotment in the acreage reserve or the conservation reserve of the soil bank as a condition of eligibility for price supports. Be it further resolved that the Secretary of State be instructed to transmit copies of this resolution to the President of the United States, the Secretary of Agriculture, and to each Member of Congress from the State of Minnesota. This resolution now in senate agriculture committee for action.

Speaker A. I. Johnson; Enestvedt, chairman agriculture committee; Hofstad, chairman dairy products and livestock; Bergeson, vice chairman agriculture committee; C. W. Olson, vice chairman, dairy products and livestock.

Mr. President, from that message from the Legislature of the State of Minnesota, it is apparent that in Minnesota sentiment in favor of the legislation now proposed is equally as strong as the sentiment I have indicated from other sources; and the message from the Minnesota House of Representatives endorses the 51 million acres and also endorses the concept of an overall feed-grain program.

Because it outlines so effectively the key arguments in favor of action now on this bill, I should like to read a telegram from the Minnesota Farmers' Union. It is as follows:

ST. PAUL, MINN., April 5, 1957.

Hon. HUBERT H. HUMPHREY,
United States Senator from Minnesota,
United States Senate Office Building,
Washington, D. C.:

We are certainly gratified at the efforts you are making to gain favorable consideration for the farm bill and to convince fellow Members of the Congress that the passage of S. 1771 would still be of extreme importance to corn and feed-grain farmers of the Nation.

We know that you are aware that in determining their vote on this bill Members of

the Senate need to consider the position of the individual corn-hog farmer, who next winter, unless action is taken to strengthen prices, will be faced with marketing his corn at about 55 percent of parity or feeding it to hogs which will go to market at about 61 percent of parity. At a time of apparent national prosperity, that would be a condition which ought not to be tolerated, either from a standpoint of justice or because of its threat to the national economy itself.

It is not too late to pass emergency corn legislation, either from the standpoint of added soil-bank participation or of protecting farmers from a further collapse of corn and feed-grain prices and the subsequent undermining of livestock, dairy, and poultry prices.

Action by the Congress to expand the acreage allotment from 37 million to 51 million acres would mean that as much as 700 million more bushels of corn could be eligible for support at the \$1.36 support rate. As you may be aware, unless the allotment is increased, less than one-half of the Nation's total corn production will be eligible for support at \$1.36. With corn prices right now at about \$1.06 per bushel in Minnesota, it seems somewhat optimistic to expect that the open-market prices next winter will be even as high as \$1 per bushel.

The difference of 36 cents between the support rate and the probable open-market price would mean some \$258 million more in income for the Nation's corn farmers. In Minnesota we know it would mean some \$25 million to \$30 million more income to our producers.

Under the present 37-million-acre allotment, no soil-bank participation is required for eligibility for price support. However, under the 51-million-acre proposal, 15 percent participation would be required. Whether the reduction came out of corn acres or other cropland acres, there would be a resulting cut in total crop production which would be over and above any reduction which can be expected from the soil-bank sign-up to date.

The price-support reductions which have been put into force by USDA for 1957—8 cents per bushel on barley, 5 cents per bushel on oats, 17 cents per bushel on flax, and 6 cents per bushel on soybeans—are very serious and will inflict losses running into the hundreds of millions upon the producers of these crops.

We believe an early start of planning of an overall corn and feed grain program for 1958 is vital. Consideration of such a program for 1958 before adjournment of this session would, we believe, have a strengthening effect upon the feed situation and perhaps prevent the market prices from dropping as low as the current support floors.

Thank you again for your efforts on behalf of farmers.

EDWIN CHRISTIANSON,
President, Minnesota Farmers Union.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks other telegrams I have received urging favorable action now on the corn bill. I have received a number of telegrams of that sort; they come from all over the country, from farmers and farm organizations which support the pending bill, S. 1771.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. HUMPHREY. Mr. President, perhaps this situation can be described in a nutshell by a few quotations from an article entitled "Will Corn Trouble Break Farm Prices?" The article was published in the April issue of the Farm Journal.

This is how the article starts:

Corn is in real trouble. Deep trouble. Not just this year, but for years ahead—unless something is done.

And when corn is in trouble, all of agriculture is in trouble: Dairymen, poultrymen, range beef men, sheepmen, hog and beef feeders, haygrowers, and anyone who grows feed grain.

It's as simple as this: Cheap feed soon makes cheap livestock, cheap milk, and cheap meat. About 55 percent of the Nation's net farm income comes from livestock and livestock products. The problem, with the husks off, is this: Corn is laboring under a billion bushel surplus that's growing bigger—maybe to 1½ billion after this fall. That's half a year's total production.

As the supply goes up, the corn acreage allotment goes down—and since there's no floor on corn allotment acreage, it can go clear to the cellar.

The allotment is so small now (37.3 million acres) that it would be hard to round up a posse from corn farmers who are going to stick with their allotments. The rest will likely plant from fence row to fence row and shoot for the moon.

Sure, Secretary Benson, might put a price floor under noncompliance corn. That would keep corn prices up off the rug, and might head off a truly disastrous drop in meat prices later—by shunting some of the crop into Government bins instead of into the bellies of more hogs and cattle. (But if supports are announced now, it will increase the corn plantings—and the surplus of grain.) That merely postpones trouble. What can be done to throttle back that supply? The soil bank could help, but won't do much now—a farmer can't participate until he cuts down to his allotted acres, and allotments are so low he won't. So we might as well kiss the soil bank and its high hopes goodbye in the Midwest.

The article goes on to ask "What can we do about it?" expressing doubt that much will be done unless "Congress has a change of heart."

But then it adds:

Congress could, if it wanted to, act fast and shut off the corn avalanche this fall—and save the soil bank.

The article concludes:

If Congress does not act, about all the farmers can do is decide to go slow on expanding corn acreage—and maybe grow more of other crops. That's not much of a program—with meat, milk, and egg prices hanging on the outcome.

Mr. President, I have that article here with me. It appeared, as I said, in the Farm Journal, one of the most conservative of the farm magazines, it makes a valid point of what may happen if we fail to act. I may further say that many persons comment on this subject with such limited knowledge as to the interdependability of these subjects that their statements become distorted. The article points out that what happens to this great basic commodity, or, as the Secretary of Agriculture said, this superbasic agricultural commodity, may well determine what is going to happen to all of agriculture.

Mr. President, I hope my warning will be heeded. Those who may argue against the bill today on grounds of economy will have red faces next year, when they tally the results.

Failure to act now will be the most costly decision of this Congress, in terms of damage to our economy and actual cost to taxpayers, through later

efforts to bail out agriculture for the plight we shall get it into if we let prices collapse still further.

Mr. President, the bill, S. 1771, as I said earlier, represents a compromise proposal. It is a sincere bipartisan effort to protect our agricultural economy. I lay no claim to its authorship. It has merely been my privilege and responsibility to report it on behalf of the committee. I am happy to be associated with it, and I feel it merits the favorable attention and support of the Members of the United States Senate and, ultimately, of the Congress.

EXHIBIT A

KELLOGG, MINN., April 8, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

The Umbro Valley Farmers Union local wants you to vote for the 51 million acre corn allotment and for \$1.50 a bushel with 15 percent to be put into the soil bank. Please encourage as many Senators as possible to vote for the 51 million acre allotment as if something isn't done now cheap grain is going to lead to cheap livestock by a year from now or sooner. Keep up your good work on the farm program. Local now has 120 farm families in their membership.

DONALD A. TENTIS.

FARIBAULT, MINN., April 2, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

We urge your support on the passage of the bipartisan Senate bill No. 1771.

WALTER JANDRO,
G. J. CARON.

WILLMAR, MINN., April 2, 1957.

Senator HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.:

We want to thank you for your work on bill 1771 Senate file. Good luck.

KANDIYOHI COUNTY FARMERS UNION,
Mrs. ALICE KLEBERG, Secretary.

MORRIS, MINN., April 2, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

We strongly support your new corn bill for 1957 Senate file 1771 with provision for early start on legislation for all feed grains in 1958.

CRED PASCHE.

HERVEY RICHARDSON.

LUVERNE, MINN., April 2, 1957.

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

We are supporting you on bill 1771.

ROCK COUNTY FARMERS UNION.

BROOTEN, MINN., April 2, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

We are very much concerned about the passage of the corn bill SF 1771. You have the support of the 76 members of the Terrace Farm Union Local Pope County.

ODEAN LANNING,

Chairman.

ANTON HAUGE,

Secretary.

NORTHFIELD, MINN., April 2, 1957.

Sen. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

I urge support for corn bill S. 1771.

EDGAR SEVERSON.

ISANTI, MINN., April 2, 1957.

Senator HUBERT H. HUMPHREY,
Washington, D. C.:

I raise corn, cash grains, and milk cows. The corn bill (S. 1771) will help.

JOHN LAAHE.

CAMBRIDGE, MINN.

ISANTI, MINN., April 2, 1957.

Senator HUBERT H. HUMPHREY,
Washington, D. C.:

I raise corn and other cash grain. Please get corn bill (S. 1771) passed. It will help.

WILLIAM ANDERSON.

STANCHFIELD, MINN.

LECENTER, MINN., April 2, 1957.

Senator HUBERT H. HUMPHREY,
Senate Building, Washington, D. C.:

Gratified to know you are attempting a new corn program for 1957. Your action on proposed feed-grain program for 1958 now is commendable and should have support of any thinking Member of Congress.

M. F. MAXWELL.

LESUEUR, MINN.

ISANTI, MINN., April 2, 1957.

Senator HUBERT H. HUMPHREY,
Washington, D. C.:

I'm a corn, hog, and dairy farmer. We need help. Corn bill S. 1771 would be a step in the right direction.

DELLIH SANDQUIST.

CAMBRIDGE, MINN.

ISANTI, MINN., April 2, 1957.

Senator HUBERT H. HUMPHREY,
Washington, D. C.:

I'm a corn, hog, dairy farmer in Isanti County. Please help put through better corn bill, S. 1771.

ALTON SLIENBRING.

FARIBAULT, MINN., April 2, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Strongly urge passage of corn bill, S. 1771.

MYRON LIPS.

FARIBAULT, MINN., April 2, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

I urge your support of bipartisan corn bill S. 1771.

FRANK LAMBERTY,

Rice County, Minn., Farmer.

LITTLE FALLS, MINN., April 5, 1957.

Senator HUBERT H. HUMPHREY,
Washington, D. C.:

Would like to have you support bill S. 1771.

GEORGE KLIER,

MILTON KERKOFF,

FRANK LEIDENFROST,

REGINAL REIPKE,

Morrison County Farmers Union.

CROMWELL, MINN., April 4, 1957.

Senator HUBERT H. HUMPHREY,
Washington, D. C.:

The Carlton County Farmers Union favors the bipartisan corn bill S. 1771.

WOODROW AHO,

President, Kettle River, Minn.

SAUK CENTER, MINN., April 4, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Urge your support of corn compromise bill S. 1771. It is better than what we had but still needs more improvement!

Sincerely,

Mr. and Mrs. CASPER FIEDLER.

THIEF RIVER FALLS, MINN., April 5, 1957.

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Urge your support of S. 1771.

ARCHIE WILSON.

THIEF RIVER FALLS, MINN., April 4, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Farmers leaving their farms due to low commodity prices. Vote for S. 1771.

C. R. CARLSON.

THIEF RIVER FALLS, MINN., April 4, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

I trust that you can and will support and vote for S. 1771.

CARL R. ANDERSON.

MADISON, MINN., April 3, 1957.

Senator HUBERT H. HUMPHREY,
Washington, D. C.:

Farmers of Lac qui Parle County are giving you and the other Senators who have authored S. 1771 support and backing. There will be little participation in the corn program in this county. The need is increased corn-acreage allotments plus a decent support price. Farmers would then participate in the soil bank, otherwise there would be unlimited production of corn and feed grains adding to an already large surplus. Farmers are discouraged so far with Congress and Secretary Benson in regard to corn legislation. We hope that S. 1771 will be passed by Congress and signed by the President.

HARRY PETERSON,

President, Lac qui Parle County
Farmers Union.

GLENCOE, MINN., April 4, 1957.

Senator HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.:

I am very much in accord with your bill, S. 1771, in reference to corn allotments. The raise in corn acres is a must if any control of corn is to be effective. I urge the passage of this bill if our corn or hog prices are to be held.

HARRY BENECKE.

THIEF RIVER FALLS, MINN., April 4, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

We of Silver Leaf Local hope you will support S. 1771.

LLOYD NELSON,
Chairman.

KENNETH, MINN., April 3, 1957.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.:

We the undersigned support S. 1771.

FONNIE VANKLEI,

MELVIN HEIKES,

HENRY VANDEVELDE,

RASMUS TWEE,

L. C. DETRIECH,

CHRIS REMME.

LISMORE, MINN., April 3, 1957.

Senator HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.:

We Lismore residents are for S. 1771.

BEN J. DIEKMAN,

ROBERT E. KNIPS,

ESTHER LOONAN,

HOMER LOONAN.

WEBSTER CITY, IOWA, April 3, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,

Washington, D. C.:

Two farm meetings held in Hamilton County, Iowa, last week. Unanimous agreement among members present "GI farmers, NFO, farmers union and farm bureau members present". Fifty-one million acres 15 percent soil bank will increase participation and decrease surplus.

N. F. HILL,

President, GI Farmers of America.

LAMBERTON, MINN., April 3, 1957.

Senator HUBERT H. HUMPHREY,
Senate Office Building,

Washington, D. C.:

Urge passage of compromise corn bill soon as possible.

FLOYD IMKER.

Minnesota Democrat-Farm Labor Agriculture Committee is proud to go on record endorsing your poultry inspection Senate bill, S. 1747, and urges its speedy adoption. We also ask immediate favorable action on your proposed corn bill. Less than 5,000 farmers in our State can or will comply with Benson's soil bank corn quota plan.

ROBERT C. OLSON,

Secretary.

TRACY, MINN., April 7, 1957.

Senator HUMPHREY,
Senate Office Building,

Washington, D. C.:

Vote yes on corn allotment bill. Fifty-one million acres for 1957.

HARRY ANDERSON,

President, Anntownship Farmers Union,
WALNUT GROVE, MINN.

Senator HUBERT HUMPHREY,
United States Senate,

Washington, D. C.:

The National Farmers' Organization would like to compliment you and the other Senators on your efforts to pass emergency legislation for corn this year. Planting season is here and we must prevent a complete breakdown of the corn program. The National Farmers' Organization will support the bill that you have presented. It is the best possible corn legislation that has a chance to pass at this late date. This bill will give us something to build on in the future. The 51 million base acreage is a realistic allotment and the bill will retain corn as a basic crop, both very important. We especially like the provision to face the problem of total feed grain supply in the near future. We are still for 100 percent of parity because we feel this is only fair for the farmers but under the present circumstances we feel that all farm organizations should support this bill if they are interested in partially correcting a serious situation because the December 11 referendum left the farmers little to choose between.

OREN LEE, STANLEY,

President, National Farmers' Organization,
Corning, Iowa.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BUDGET AND PUBLIC WORKS PROJECTS

Mr. NEUBERGER. Mr. President, I have just read the able speech made by the distinguished junior Senator from Arizona [Mr. GOLDWATER] attacking the budget submitted by the President of the United States as being potentially destructive of the future of our great country.

I should like to call to the attention of the Senate that the Senator from Arizona is one of the sponsors and supporters of the upper Colorado River project, which will involve eventual expenditures up to \$1½ billion.

This year the budget, which the Senator from Arizona attacks, has recommended \$25,142,000 for commencing the upper Colorado River project. By contrast, the budget contains not one penny for the far more economical John Day project on the Columbia River, in the region where I live.

It is my suggestion, Mr. President, that able Senators who arouse public opinion against the budget might well canvass the substantial expenditures which the budget proposes in their own States and regions.

I am getting a little weary of so-called economy speeches in general by Members of the Senate, who themselves favor or willingly accept vast quantities of governmental spending in the realms of the Nation which they help to represent. When Senators make economy speeches in the future, I suggest that they recommend to us projects in their own States and regions which can sustain substantial cuts in expenditures.

Last week I defended the Public Works Committee bill, which contained authorization of several water-control projects in the rainy seacoast State which has sent me to the Senate.

Today we vote on the corn bill. There is little commercial corn grown in Oregon. I could make a strong economy speech against the corn bill if it were my disposition to do so. My own State will not suffer if the corn bill is cut. I do not intend to deliver such a speech, however, because I will never talk out of both sides of my mouth. In my opinion, economy speeches should be directed to budget cuts or economies in a Senator's own State and region.

PUBLIC VERSUS PRIVATE POWER

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an informative article from the New York Times of April 7, 1957, by William M. Blair, entitled "Public Versus Private Power Battles Shaping Up for 1958."

Accompanying the article by Mr. Blair is a chart which indicates that, of the 114,500,000 kilowatt-hours of electricity generated in this country, 86,900,000 are produced by private utility corporations, 17 million by projects of the Federal Government and 10,600,000 by State and municipal plants. This distribution

of electricity production should serve to squelch propaganda from the national administration that America is threatened by a so-called Federal power monopoly.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times of April 7, 1957]
PUBLIC VERSUS PRIVATE POWER BATTLES SHAPING UP FOR 1958

(By William M. Blair)

WASHINGTON, April 6.—By odd coincidence, President Eisenhower and the Supreme Court teamed this week to hand discouraging news to public power advocates.

The Supreme Court news was strictly legal; the President's news was reaffirmation of a policy. In the long political run, the President's policy will carry more weight.

The Supreme Court decision turned down a plea by public power supporters for annulment of a Federal Power Commission license granted to private enterprise for development of water power in Hell's Canyon. So public power advocates now must concentrate on upsetting the President's policy in Congress.

LOCAL RESPONSIBILITY

The President's partnership concept places primary responsibility for meeting local and regional power needs on local interests. Within this framework, the Federal Government would be a partner but, as stated by the administration, the Government will not assume that it has exclusive rights of responsibility for the construction of dams or the generation, transmission, and sale of electrical energy in any basin or region.

The policy envisions some projects clearly beyond the financial resources of local interests. But where local interests, including private enterprise, show a willingness to go ahead then they should be encouraged.

Critics of the policy base their case on three main points: (1) private financing at higher interest rates than available to the Government means higher-cost power to consumers; (2) control of power gives private interests an inordinate influence over the economy of a region because private power development is oriented toward investors rather than toward consumers; (3) the partnership policy is inconsistent and unfair in that the administration can direct it for political purposes, pushing a project in one section to help win elections while denying a project in another area where elections are safe.

The administration viewed Hell's Canyon as a prime example within the partnership policy because the Idaho Power Co. offered to go it alone and such a move was preferable to the decision by the previous Democratic administration that a single high dam was the answer in the mile-deep gorge of the Snake River.

Moves in Congress to upset the partnership policy appear unlikely at this point unless Democrats and their public power allies decide to step up to tornado force their drive to get the Government back into natural resource development of major waterways.

The major reason for this apparently is that this year, like most years between elections, is not a year for recreating issues as major political objectives. The 1958 congressional elections still are in the distant future and the natural time for building up the public versus private power issue is in the 1958 sessions of Congress.

The sniping and sparring of 1957 can in no way be minimized as a part of the political fight. But in terms of achieving objectives it is just that, and the administration and its

opponents on power policy appreciate the situation.

POLITICAL EXPEDIENCY

Republican losses in the 1956 election gave rise to reports that the "partnership" policy so far as electric energy is concerned, would be cut down or at least trimmed to meet the political expediency of 1958 and 1960. The facts belie the report.

Secretary of the Interior Fred A. Seaton, who perhaps as much as anyone in the administration knows the political nuances of the power fight, has given no concrete indication there will be any significant change within the foreseeable future.

Mr. Seaton has given indications, however, of setting out to salve some areas by stepping up projects already moving ahead and perhaps carrying out one or two larger projects which, within the framework of the partnership policy, are clearly beyond the scope of local interests.

At the moment the outlook is for continued sparring, with each side keeping a wary eye on the other. The Republicans still are analyzing the 1956 election returns in the Northwest and in other sections as related to the power issue, as well as rural areas where farm prices and low-cost power intertwine.

CORN BASE ACREAGE FOR 1957

The Senate resumed the consideration of the bill (S. 1771) to provide for a 1957 corn base acreage of 51 million acres, and for other purposes.

Mr. NEUBERGER. Mr. President, with the permission and cooperation of the able junior Senator from Minnesota [Mr. HUMPHREY] I should like to ask several questions, about the pending legislation, which deals with the corn base acreage.

I have been very much impressed with the discussion of the bill and its presentation by the Senator from Minnesota, who is one of the best informed persons I have ever known on the whole general subject of agriculture.

My questions involve the fairness of the present agricultural programs in this country. For example, I have been reading through the committee report on this bill, and I note there are a considerable number of States where corn is grown commercially and where corn farmers will benefit to a substantial extent by the passage of this bill.

What disturbs me about our present agricultural program is this: A substantial number of farmers who grow particular crops receive benefits of one kind or another. They may receive price support loans, or they may be able to put a certain portion of their acreage in the soil bank and receive so much per acre because of that inclusion in the soil bank. This pertains today to corn. We are considering the corn bill. It also pertains to cotton. It pertains under certain circumstances to wheat, and there are some commercial wheat farmers in the eastern portion of the State I help to represent in the Senate. It pertains under other circumstances to rice and peanuts and tobacco, if I am not mistaken.

What I do not understand is the anomaly that there are many other farmers in this country who hardly qualify at all for any form of direct assistance from the Government or from the Department of Agriculture.

For example, I have received letters from people in the State of Oregon, who raise eggs or who raise poultry or who raise livestock, asking about this matter. There are a great many row crop farmers in our State, who depend for their livelihood on onions, carrots, cabbages, potatoes, peas, or string beans. They wish to know about Government consideration of their problems.

I represent a State which has a substantial number of orchards. Many of those fruit growers have done very badly in recent years. Some of them have suffered disasters in the form of freezes which have destroyed their trees. Let me say that, when an orchard is destroyed, it is not the same as the destruction of a crop for 1 year; an orchard may represent 20 or 30 years of investment, and may not be replaced within the lifetime of the people who suffered the loss.

I realize this is a long preface to my question to the Senator from Minnesota, but what I do not understand is the whole basic theory of these very costly agricultural programs. I do not oppose those programs, as the Senator from Minnesota knows. I have supported them in their entirety, I think, since I have been a Member of the Senate.

What is the theory of assistance for corn farmers but no assistance for people who raise cherries, pears, potatoes, or livestock?

Mr. HUMPHREY. The Senator asks a question which I am sure is in the heart and mind of every person who wishes to be fair and who would like to see a truly effective farm program, if we are going to have a farm program.

First of all, let me say that every Member of the Senate who comes from a predominantly agricultural State owes a debt of thanks and gratitude to Senators such as the junior Senator from Oregon and others who have unselfish and cooperative attitudes relating to farm legislation.

I think it is fair to say that any legislation which benefits any one part of the economy has an indirect effect for the good of all other parts of the economy. I can think nothing more injurious to the national well-being than for each Senator or each Member of Congress to base his votes solely on the question of how the legislation affects his immediate constituency in a local, current manner.

Mr. NEUBERGER. The Senator is correct, of course.

Mr. HUMPHREY. The Senator from Oregon has exemplified in his service in the Senate the attitude of the interdependence of all facets of our economy. However, when we consider the total farm picture, his questions are right to the point and expose what I consider to be a part of the weakness of the present farm program.

The farm program started in the 1930's as an effort to salvage the remnants of a broken agriculture, an agriculture broken and literally destroyed by neglect on the part of the Government and the very economic system in which it lived. That farm program grew from the old Triple A to the old "corn-hog" program, in an effort to help the farmers of the Midwest. It grew under amend-

ment in 1938 to the basic farm act. Then other amendments were adopted during the war years and the postwar years.

The farm program has been something like an expansible house, where there is a room added here and there, and another room here and there, so that when it is all through, there is something in which one can live, but all the accommodations for good living are not there, and it is not quite so well organized as it might be.

I may say to the Senator, more specifically, that many of the commodities which he mentions, such, for example, as fruits and vegetables, are covered by very effective farm programs called marketing agreements, under the Federal marketing orders. This is a process by which producers get together to limit the production for the purposes of marketing, and thereby to affect prices, so as to give the producer a reasonable price for his commodity. This is not a price-support program by the terms of a crop loan, but it is similar to a price support in that the authority of the Federal Government is utilized in a marketing agreement, to control both production and distribution, for the benefit of orderly marketing and quality production, but ultimately for the benefit of the producer. That is being used, for example, in the citrus industry.

There are many vegetable producers, such as those in my section of the country, who have contract arrangements with the processors. This is a year-in-and-year-out business in which the producers of sweet corn, the producers of garden peas, the producers of carrots, and the producers of innumerable other vegetable commodities produce on a contract basis or under a contract agreement for a vegetable packing company. That process is another form of what one might call controlled market conditions, which is all to the good.

The ultimate purpose of the farm price-support program is orderly marketing. That is its purpose. That is its immediate objective.

The Senator from Oregon and I would agree that income from these great perishable commodities, such as livestock products and poultry products, if added all together, would represent more than 50 percent of the total agricultural income. Those are the commodities which are not directly affected by price-support legislation. While we do not have a program for pork or beef that I would call a program worthy of the name, except that we buy up a little once in a while for school lunches—which is not a very effective method of supporting prices; it does some good, but does not do what it ought to do in terms of price protection—the way we affect beef and pork support prices is through the prices of grain. When grain prices are reasonably good, beef and pork prices are reasonably good. The effect is indirect. Personally I believe that we shall have to come to the day when we shall go to production or compensatory payments on some commodities.

Mr. NEUBERGER. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. NEUBERGER. How have the producers of the nonsupported commodities fared, in contrast with those who raise crops which are directly supported by the Government in one way or another?

Mr. HUMPHREY. Not too well; but let me point out that a hog producer fares just about as well as a corn producer.

Mr. NEUBERGER. I have received many protests from people in my section of the country who raise poultry. They say that poultry prices are not supported, but prices of the various grains which they use for feeding poultry are supported. This hardly seems fair.

Mr. HUMPHREY. The Senator is correct.

Mr. NEUBERGER. Therefore the price of their feed is kept up by the Government, but the price of the poultry which they deliver to the market is not. They are caught by this anomaly, which often results in great economic hardship.

I myself am not a farmer. Mrs. Neuberger's folks happen to be farmers. They operate a comparatively small farm in the northwest. I have talked with them on this subject. They do not happen to raise commodities, the prices of which are supported. Their friends in the Grange to which they belong do not happen to raise commodities which are supported. They feel a great sense of indignation on that subject. As I say, I am not an expert, as is the Senator from Minnesota.

Mr. HUMPHREY. I am not, either. I am only trying.

Mr. NEUBERGER. And I am not an expert like the distinguished Chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER], who is also present in the chamber at this time.

My recollection—it may be faulty—is that those who raise nonsupported commodities have often fared very badly in recent years.

Mr. HUMPHREY. They have; but I should like to say that the Secretary does have authority under existing law to be of considerable help to producers of nonsupported commodities. For example, by the timely purchase of eggs when the egg market is depressed, he can aid that situation. By the purchase of a substantial quantity of eggs which can be used for welfare programs, school-lunch programs, and relief programs, he can bolster the egg market.

As a matter of fact, the announcement by the Secretary that he intends to purchase eggs bolsters the market. The Secretary of Agriculture might say tomorrow morning that he believes the price of hogs should be \$20 a hundredweight. Such a statement would bolster the hog market.

The Government is an important factor in the entire farm program, to such an extent that every utterance, every expression, every bulletin from the Secretary of Agriculture or any of his agents, has an effect on the market. When the Secretary indicates that for some reason or other he intends to dump on the domestic market what he calls spoiled or

damaged corn, before the corn ever reaches the market the price in the free market starts to break.

The Secretary has funds under section 32, and under special emergency appropriations and authorizations which we have made, to bolster the prices of livestock, pork products, poultry, or eggs, and even of fruits and vegetables. The authority exists. However, the authority is not spelled out in detail, as it would be in connection with a corn or wheat program.

Mr. NEUBERGER. It seems to me that some crops are favored and others are not. I share with the Senator from Minnesota the view that we are Senators for the entire United States, and not merely for our own individual States. That is the reason why I probably shall vote for the corn bill. As will be seen from the table in the committee report, no corn is grown commercially in my State. However, I am interested in the wellbeing and economic solvency and success of corn growers, just as I am interested in the welfare of any other farmer, because farmers are American citizens, and their prosperity contributes to the welfare of America as a whole. But it seems to me that there is not a great deal of fairness in the program.

Last year, when we were voting on the soil bank issue, if I am not mistaken, the two able Senators from the State of Maine [Mrs. SMITH and Mr. PAYNE] offered an amendment to the soil bank bill.

Of course, all of us pray for the early recovery and return to the Senate of the junior Senator from Maine, and that he may regain his health. I hope that he will be released from the hospital very soon.

Mr. HUMPHREY. I join in the Senator's expression on behalf of a very dear friend and fine Senator.

Mr. NEUBERGER. All of us are very fond of the junior Senator from Maine and his distinguished colleague [Mrs. SMITH].

As I remember, the two Senators from Maine offered an amendment to the soil bank bill—and my memory may be faulty—which would have put vegetables into the soil bank, or would have allowed them to be put into the soil bank, if and when the Secretary of Agriculture found them to be in surplus. I believe the amendment was voted down. But if corn can be put in the soil bank when it is in surplus, why cannot row crops be put in the soil bank when they are in surplus?

Mr. HUMPHREY. That I do not know. I think they deserve to be in it, if we are to have a soil bank program which affects the quantity of production. That is the purpose. After all, every agricultural commodity utilizes soil; and if we have a soil bank it should be sufficiently comprehensive to cover the major cash producing crops.

Mr. NEUBERGER. Mr. President, I wish to conclude very briefly, because I know the time is limited. Is it not the feeling of the Senator from Minnesota, with his profound interest in the agricultural problem and his long service on the Committee on Agriculture and For-

estry, that what we need is a series of farm programs which will spread some of these Government benefits to more crops, and therefore to more farm families?

Mr. HUMPHREY. The Senator is definitely right, because a tremendous number of farm families are excluded from direct benefits. I think our farm programs should always be able to demonstrate not only protection for the farm producer, but benefit to the consumer. Therefore I have repeatedly advocated, in connection with the pork program, that we have a program of incentive payments for production of a lean hog, so that finer-grained pork can be produced. I have also advocated, with respect to certain commodities, that we have compensatory payments, which would permit the farmer to get a fair return without upsetting market levels. The difference between the price which the Government might set and the market price would be made up by a compensatory payment to the producer, but the consumer in the city would obtain the advantage of the lower market price.

The farm population now knows that it is a very small percentage of the total population. It is a minority of the total. Therefore, if our farm people are to be given justice, which they surely deserve, and if our great agricultural economy is to be given an opportunity to survive as a free economy, a family-farm economy, it is to the advantage of everyone to think in terms of how to approach the farm problem in such a manner as to work to the benefit of a free and prosperous agriculture without, at the same time, placing a penalty upon the consumer. On the contrary, we must place a premium upon a good consumer product, making the consumer feel that he has a stake in a good farm program.

Therefore, I believe we shall come to the day in the Congress of the United States when a form of production or compensatory payment will be the basic ingredient or the main factor in an effective farm program. By the way, most leading agricultural economists now support that thesis. In the 80th Congress, the Senator from Vermont [Mr. AIKEN], I believe, sponsored that sort of proposal as one of the means of price support.

Mr. NEUBERGER. Would it apply to all kinds of farm products, without exception?

Mr. HUMPHREY. I think it should be available for application. However, it is my view—and I do not claim to be an expert—that production payments are better designed for what we call non-storable commodities, such as vegetables, animal products, dairy products, and the like. The regular Commodity Credit Corporation loans, under the normal price-support structure as we now know it, are designed more for storable commodities, such as corn, wheat, and cotton.

Mr. NEUBERGER. I would agree with the Senator, and it is my hope that some of the programs which he has mentioned for the crops and commodities not now included in farm plans will soon be added, and that such plans will be

extended to various row crops and to livestock, and so on, which are not now included. It is also my hope that perhaps we can at least experiment with a domestic-parity plan for wheat, to see if it will not work effectively and in that way make some surplus wheat available at lower prices for feed purposes.

I appreciate very much the information the Senator from Minnesota has given us. He is always helpful on every issue, particularly on the farm question, in which he is so well informed and so thoroughly experienced.

Mr. HUMPHREY. The Senator is far too generous. I appreciate his participation in the discussion.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CLARK. I have been listening with a great deal of interest to the brilliant presentation of the corn bill by the junior Senator from Minnesota. It is a subject in which he has great experience. I ask my questions from ignorance, because I do not purport to be an expert in this field, as I know the Senator from Minnesota is, and as I know the Senator from Oregon is rapidly becoming, if he is not an expert already.

My problem comes down to this: There is in my State the same type of poultry industry as that to which the Senator from Oregon has referred in his State. The Senator from Minnesota will recall that the Senate passed a poultry-inspection bill yesterday, and on that occasion I commented that perhaps \$190 million worth of poultry products are raised in the Commonwealth of Pennsylvania every year.

Mr. HUMPHREY. One always learns something in the Senate. That was true the other day when the Senator from Pennsylvania made his statement in connection with the poultry inspection bill. I always knew that the Commonwealth of Pennsylvania which he, in part, so ably represents, was a great producer of poultry, but when he made his statement I was, first of all, surprised that the great Commonwealth of Pennsylvania should be pushing Minnesota for honors in the poultry field and, secondly, very much enlightened by his remarks.

Mr. CLARK. I am delighted to have the Senator's friendly comments. As the Senator from Oregon has stated, poultry and eggs are being sold in a free market. Nevertheless, the poultry producers must buy their grain in a protected market. While I share with the Senator from Oregon a desire to treat these matters on a national basis, because, after all, they concern the national economy, I ask the Senator from Minnesota whether it is not a fact that an inevitable result of the passage of the pending bill will be that the poultry producers of Pennsylvania will have to pay more money for their feed and will not receive protection in the marketing of their product.

Mr. HUMPHREY. A possible result of the passage of the bill will be that the normal poultry producer will be able to continue in poultry production, if the price of feed grain is reasonable. If the price drops lower and lower, the normal producer of feed grains will say, "There

is only one thing to do to augment my income, and that is to raise some chickens and to sell a few eggs." He goes into the poultry market and thus adds to the production of poultry and poultry products. That in turn cheapens poultry prices.

I can only add that if there ever was an economic community in which there is a genuine interdependence and in which there is need for economic brotherhood to prevail, if not spiritual brotherhood, it is in the agricultural community.

What has happened, particularly in recent years, is that as farm prices have been cut back, farmers have expanded their production. As they have expanded their production, farm prices have dropped some more. Then when they got too low, the farmers undertook another kind of farm production. Only a few years ago the normal grain-producing area was in the Middle West. Now it is all over the country. When farmers could not make enough income from raising cotton or wheat or rice, they said, "There is only one thing to do. We are in the farm business. We have the barns and the sheds and the machinery and the knowhow, and the whole plant. Let us use it." So they went into the beef and hog and poultry raising business. Some of them had never raised any grain sorghums. They started to plant them. I believe the grain sorghum acreage alone has gone up 300 percent in the past 4 or 5 years.

Mr. CLARK. Then, it is the Senator's belief, as I understand, that, while from the short range standpoint the passage of the bill might be to the detriment of the poultry producers of Pennsylvania, the long range result will be favorable, because of its effect on the whole agricultural economy, in which it is possible to have only a certain amount of demand and a certain amount of supply; and that although the poultry producers of Pennsylvania may have to pay a little more for grain, the Senator is of the opinion that in the long run the passage of the bill will be in the poultry farmer's own enlightened self-interest. Is that correct?

Mr. HUMPHREY. I doubt that it is even a short run disadvantage for the poultry producers. I say that because the poultry producers of Pennsylvania also produce a good deal of their feed—not all of it but a portion of it—on their own farms.

Mr. CLARK. A measurable amount.

Mr. HUMPHREY. A measurable amount. In some instances it is a majority of the feed. That is what we call a noncommercial area. It is to the advantage of the poultry producer that the production of poultry does not get out of hand and that the poultry market is not glutted, not 2 years or 1 year from now, but 6 months from now, because it is possible to raise and to market very good chickens in 6 months.

Therefore, a fair price—and a price of 77 percent of parity on corn is anything but high—in the commercial area is not going to be even a short run detriment outside the commercial area. I honestly believe that it is of immediate good and a long range advantage.

Mr. CLARK. The Senator from Minnesota is not under the impression, is he, that the present Secretary of Agriculture is going to utilize any of the powers to protect the poultry and egg producers?

Mr. HUMPHREY. No; I must say that I am not living under any false hope with respect to the alacrity with which the Secretary of Agriculture will respond to the justified needs of the poultry producers and the livestock producers. There has been too much of the "too little and too late" philosophy.

I wish to go on record as saying that the present Secretary of Agriculture has not only spent more money and obtained fewer satisfactory results than any other Secretary of Agriculture in the history of our country, but also, that so far as the effects of his policies on private economy—on cattlemen and hog raisers and poultry raisers and egg producers—are concerned there has been a loss of hundreds of millions of dollars, which can never be reclaimed.

The shocking thing to me is that more people are not concerned about it. As I have said a number of times in the Senate, in our foreign-aid program, which I support; and in our foreign-trade program, which I also support, we go 10,000 miles from home with a \$2 billion or \$3 billion program in order to get a new market for some American production; while right under our own feet, in Pennsylvania, or in Minnesota or Kansas or Iowa or Nebraska or Missouri or Oregon, are thousands and thousands of farm families, who, if they had their prices raised another 10 percent—and that would not hurt the consumer—would be able to purchase hundreds of millions of dollars' worth of manufactured goods from our factories.

We have a market in the Midwest for home appliances and for new farm machinery which is estimated in the next 5 years to be more than \$6 billion, if only we could get a little adjustment in our farm prices.

However, I have learned a long time ago that farm producers never can get far ahead by working for wages that cause them to run behind, and that they will never get very far ahead by producing commodities at less than cost.

My dad, who was a merchant, used to say to me, "It does not take any sense to give away your goods. It sometimes takes a little more than ordinary courage, but it does not take much sense or judgment."

Mr. CLARK. I am completely in accord with what the Senator from Minnesota has just said. If he will bear with me a minute more, I should like to ask him this question:

Since the Eisenhower administration took office, 5,500 dairy farmers in the Commonwealth of Pennsylvania have gone out of business because of the price squeeze which has made it impossible for them to get an adequate return for their milk and other dairy products, in a market where the price was substantially controlled both by State and by Federal agricultural marketing agreements, while at the same time the price at which the milk was sold through dis-

tributors did not enable them to get a profitable return when the milk was sold at the gate of the farm.

One of the things which has given the dairy farmers of Pennsylvania great concern—and most of them, as the Senator from Minnesota knows, are the family farmers, who are of immediate concern from the sociological and democratic point of view, as well as from the economic point of view—is, What effect will the corn bill have on the dairy farmers? Will it not inevitably make their situation worse, at least for the time being?

Mr. HUMPHREY. No; it will not.

Mr. CLARK. Will the Senator from Minnesota enlighten me as to why not?

Mr. HUMPHREY. Because the price supports which are available for the dairy farmers are based upon a percentage of parity—that is, 80 percent of parity. Parity is a flexible formula. In that formula the price of feed products which Mr. Farmer must buy in order to supply, in this instance, his dairy herd with the necessary feed is considered.

Parity is flexible. There can be flexible price supports because of the percentage of parity, but the concept of parity, the factor of parity, itself is flexible.

So if the price-support structure on dairy products, including milk, is maintained at 80 percent of parity, and if we assume that the price of feed, because of the corn bill, goes up a little, the increase will be reflected in the parity formula, which in turn will mean that Mr. Farmer will be guaranteed a little better price, dollarswise and centswise, for his dairy products.

So the farmer in this instance, I assure the Senator from Pennsylvania, will not be hurt.

I must confess that if I thought the dairy farmer would be injured by the bill, in light of the fact that the largest single production in the State of Minnesota—so far as cash commodities are concerned—is dairy farming and livestock farming, I surely could not be here, out of a sense of justice and fairness, defending this measure.

I do not think this is a perfect bill. I do not think it is three-fourths perfect. I think it is better than the law with which we are presently saddled.

Mr. CLARK. The dairy products produced in the State which the Senator from Minnesota represents, in part, with such distinction are in such profusion that they frequently come into Pennsylvania.

Mr. HUMPHREY. We are delighted to share the superior quality of our Minnesota dairy production with our very fine, enlightened, quality fellow citizens from Pennsylvania.

The people of Pennsylvania are of such good character, of such splendid background, and have such fine tastes, that it would be anything but right if they did not have the opportunity to consume Minnesota's dairy products.

Mr. CLARK. I thank the Senator from Minnesota for his enlightening comments, which have done much to dissipate the feeling with which I greeted the bill.

Mr. HUMPHREY. I thank the Senator from Pennsylvania.

Mr. BUSH. Mr. President, I am opposed to S. 1771 because it would waste \$100 million of the taxpayers' money. An amendment to the soil-bank program to force payments on corn already has cost the taxpayers of the United States \$179 million without contributing anything at all toward a solution of the problem of overproduction. At a time when we should be economizing, the present bill proposes to pour \$100 million more down this rathole.

I invite the attention of the Senate to the letter of the American Farm Bureau Federation, which appears in the report on the bill, which warns that enactment of S. 1771 probably will "create more ill will among farmers—including corn farmers—and nonfarmers than it would contribute to adjusting the agricultural plant."

I congratulate the American Farm Bureau Federation for its opposition to this ill-conceived measure. The farmers of my State agree with the Bureau, I am sure, that the soil bank should be used to bring the supply of farm products into balance with demand and not as a subterfuge for providing a favored group of producers with free crop insurance.

I ask unanimous consent to have the American Farm Bureau Federation's letter printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., March 26, 1957.
HON. ALLEN J. ELLENDER,
United States Senate,
Washington, D. C.,

DEAR ALLEN: This is in reply to your request for a statement regarding our position at this time concerning corn legislation for 1957.

At our annual meeting last December, the voting delegates went on record favoring the enactment of legislation providing for the type of corn program favored by the large majority of farmers affected. In support of this policy, representatives of the American Farm Bureau Federation appeared before the House Agriculture Committee and a subcommittee of the Senate Committee on Agriculture and Forestry urging that Congress quickly pass a simple corn bill.

We indicated that the early passage of a simple bill was urgent because plans for spring planting were being made and farmers needed to know as soon as possible what kind of program would be in effect in 1957. These statements were made in January and early February.

The House of Representatives on March 13, 1957, by a record vote of 188 yeas to 217 nays, defeated a simple bill designed to permit corn farmers in 1957 to participate in the kind of program which they prefer. The House Agriculture Committee was split on the issue. Most of the minority members finally supported legislation to give commercial area corn farmers a program in 1957 similar to the options offered farmers in the corn referendum last December which was favored by 61½ percent of the approximately 440,000 farmers voting in the referendum. Most of the majority members insisted that the acreage reserve program of the soil bank must also be opened up to grain sorghums, barley, rye, oats, soybeans, flax seed, and non-commercial area corn. The House refused to pass any of the various proposals that were offered.

We understand that the Senate Committee on Agriculture and Forestry yesterday on a

split vote reported out a bill which would substitute a 51-million acre corn base acreage for the 37.3 million acre national corn allotment.

Since the House has debated the subject this year at considerable length and refused to change the current law, it appears to us that before the Senate acts, it may want to determine whether there is any possibility of action being taken by the House on legislation that would be effective and financially sound in sufficient time to be of any assistance in adjusting production to demand in 1957.

In considering this problem, the experience of last year in connection with passage of the Agricultural Act of 1956 should be added to the attitude shown by the House this year on corn legislation. Last year, soil-bank legislation was passed after most of the corn was planted.

As early as April 5, 1956, the American Farm Bureau Federation pointed out that "It is too late for a soil-bank plan to be of any benefit to farmers this year."

Nevertheless, the group in the House which opposed corn legislation this year were the ones who put through the amendment on May 3, 1956, which forced payments in 1956 on a 51-million-acre soil-bank corn base, even though most of the corn area had already been planted, which made it obvious that such payments would not make an appreciable contribution to bringing supplies into balance with demand.

Because the law directed it, \$179 million was paid out under a situation which doomed it from the start to ineffectiveness so far as adjusting production was concerned.

Once again consideration is being given to legislation which will help farmers bring supplies into line with demand. Once again it probably is too late for legislation to be passed that will make any real contribution to lifting the price-depressing surpluses off the backs of farmers.

We understand that about 5½ million acres of cornland have been offered for Government soil-bank contract.

Farmers have made their plants and corn-planting time is practically here. Legislation must run the gantlet of the Senate, the House, and probably conference between the two bodies to iron out differences with the agreement then being reconsidered by the Senate and the House before being sent to the President for consideration.

This situation suggests questions such as the following: How much will corn farmers reduced plantings below that to which they already have agreed? Will those corn farmers who agreed to stay within their portion of the 37.3 million acres get a windfall payment if the base at this late date is raised to 51 million acres? Will it be fair to corn farmers who were willing to stay within the 37.3 million allotment to allow other farmers to come into the program now? How will the increase be divided between those who have signed up and those who were unwilling to sign up until their share was increased? Two hundred and seventeen million dollars represents the share of the \$750 million total acreage reserve fund available for corn. Close to \$200 million has been signed up for corn at this time. Should funds be shifted from other acreage reserve commodities to obtain a larger signup on corn?

We are seriously concerned that legislation at this late date and the time required to put it into effect after enactment would create more ill will among farmers—including corn farmers—and nonfarmers than it would contribute to adjusting the agricultural plant.

The American Farm Bureau Federation has looked upon the soil bank as a means of bringing supplies into balance with demand and not as a device to provide farmers with free crop insurance.

We are working to bring about a healthy market condition by removing market gluts and do not look with favor on payments as an end in themselves.

Since the present corn signup is heavily concentrated in areas which have recently been adversely affected by drought, the probability exists that there may be a further buildup of corn surpluses. Even though this is undesirable, legislative action has been so long delayed that it is highly questionable whether legislation now will result in anything but a wasteful expenditure of public funds this year at a time when we should be economizing.

Sincerely yours,

FRANK K. WOOLLEY,
Legislative Counsel.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Without objection, it is so ordered.

THE ATTACKS MADE AGAINST THE BILL TO GUARANTEE TRIAL BY JURY

Mr. THURMOND. Mr. President, during the weekend, at least two separate, but perhaps coordinated, attacks were launched against S. 1735, a bill introduced by the distinguished senior Senators from Mississippi and Virginia [Mr. STENNIS and Mr. BYRD] and myself. S. 1735 is a bill designed to further secure the guaranty of the right of trial by jury.

One of the attacks was made by a representative of the Justice Department, in a speech delivered here in Washington. The other attack was made in an editorial of a newspaper well-known for its support of individual liberties and freedom.

Only recently this newspaper has been among those who protested vigorously to the State Department against what it considered a violation of the first amendment, which guarantees freedom of the press, among other rights of the people. This newspaper recognized no restriction on freedom of the press, as guaranteed in the first amendment. In its editorials it spoke out loudly against the action of the State Department in denying a passport renewal to a reporter who traveled into Red China, against the instructions of the State Department.

Mr. President, I hold no brief today either for the newspaper or for the State Department in the instance cited. My purpose in making reference to the position of the newspaper is to show that it has been a strong advocate of individual rights and liberties, but that its position with reference to S. 1735 is a departure from its usual position.

There are other instances which could be cited with reference to this newspaper, in which it editorialized strongly for traditional rights and freedoms. I shall not take the time to go into such details, because I do not believe it is neces-

sary. The record of this newspaper is well known.

The Justice Department spokesman who addressed the ninth annual conference of the National Civil Liberties Clearing House, chose as his title, "The Government's Role in Defending Civil Rights."

At the outset of his speech, he declared:

The administration civil-rights program which is now pending before the Congress will, if enacted, give the Government for the first time the authority necessary for effective enforcement of federally guaranteed civil rights.

That makes his position clear. He is an advocate of stronger Federal laws to strengthen what he believes to be the rights and freedoms of individuals.

Yet in the same paragraph of his speech, he launched his opposition to the bill, which I am cosponsoring, to give wider application of the right of trial by jury. This is what he had to say on that subject, with reference to S. 1735:

I should like also to warn against attempts now being made to emasculate this program by deceptive appeals for the protection of the right to trial by jury.

I should like to know, Mr. President, what is deceptive about guaranteeing a trial by jury. That is the stated purpose of the bill.

However, I am glad that the Justice Department spokesman and the newspaper editorial have made the issue clear. There is only one conclusion to be drawn from the editorial and from the speech: Both the newspaper and the speaker are against extending to every citizen a legal right now enjoyed by some citizens; that is the right of trial by jury.

There can be no argument on the point that a court must have the authority to deal with direct contempt. This bill will preserve the necessary authority for contempt committed in the presence of the court or so near thereto as to interfere directly with the administration of justice. It also retains for the court power to punish misbehavior, misconduct, or disobedience of any officer of the court.

What I cannot understand is how certain forces in this country can recognize weaknesses they claim to see in existing laws for the protection of civil rights, but profess not to see any danger in the loss of the right of trial by jury. The civil-rights bills now pending in the committees of the Senate and the House of Representatives would take away that right in some instances.

Is greater Federal protection of the right to vote more important than protection of the right of trial by jury?

I do not believe the people of this country would agree with the advocates of the so-called civil-rights bills that a distinction can be made between the importance of these rights.

The citizens of the United States have always believed that every citizen had the same rights in courts of justice as every other citizen. That is not true under the present law, which provides for the substitution of the United States for the real party in interest in certain cases. In such instances the defendant can be

deprived of his right of trial by jury simply because the United States has made itself a party to the case. The Justice Department wants to employ that device more widely.

If that is not discrimination, then I must be taught a new definition for the word.

The Justice Department spokesman stated his opposition to having a jury decide whether a contempt had been committed of an existing court order or injunction. My question to him would be whether he believes a jury would be less fair in its consideration of such a contempt charge than the judge who had issued the order.

Would it be easier for a judge to separate himself from the feelings and emotions involved in such a case than it would for a jury which had not previously been involved?

The decisions of Federal district judges already may be reviewed. They are reviewed by special courts, by circuit courts of appeals, and by the Supreme Court. More than one judge sits on such courts. This is recognition that more than one opinion is needed in many cases.

I fail to see why letting a jury of 12 persons consider whether contempt has been committed, unless committed in the presence of the court, is any departure from accepted principles of justice.

Mr. President, the inconsistency of some advocates of the so-called civil-rights bills is clearly drawn by their attacks against S. 1735.

Do they believe in certain rights for certain people, or do they believe in the same rights for all the people? I believe a majority of the American people believe in equal rights for all.

Mr. STENNIS. Mr. President, will the Senator from South Carolina yield to me, before he yields the floor?

Mr. THURMOND. I yield to the Senator from Mississippi.

Mr. STENNIS. I wish to commend the Senator from South Carolina for his work on the general subject he has been discussing. I desire to point out an additional fact to which the Senator referred, but did not fully develop, with reference to trial by jury and the power of a judge to punish for contempt.

As conclusive proof that the idea of the law was that this was a very limited field of operation, I point out that there is no limitation to the sentence which may be imposed for contempt of court. Except in some cases, there is no protection of a jury trial in such proceedings. The law goes so far as to put the trial of the person and the imposition of sentence in the hands of the judge whose order is being disobeyed or infringed upon, which shows conclusively that the application of this principle of law should be very limited in its scope of operation.

Does the Senator agree with that statement, which is the basis for another question I shall ask?

Mr. THURMOND. The Senator is correct. In a contempt case the judge is the legislator, he is the prosecutor, he is the judge, and he is the jury.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 11, 1957
For actions of April 10, 1957
85th-1st, No. 63

CONTENTS

Adjournment.....17	Drought relief.....1	Plant pests.....8
Animal disease.....25	Employee training.....11	Postal service.....22
Appropriations.....4	Farm program.....18	Poultry.....31
Area development.....13	Flood control.....5	Reclamation.....8
Assistant Secretary.....16	Foreign aid.....4,10,19	Research.....28
CCC.....2,3	Forestry.....7,15	School lunch.....30
Cooperatives.....23,27	Feed grain.....3	Small business.....12
Corn.....9,20	Insect control.....8	Soil bank.....29
Cotton.....2	Lands.....8,32	Stockpiling.....2
Dairy.....26	Legislative program...8,16	Taxes.....14
Defense mobilization....6	Marketing.....29	Transportation.....14
Deferred grazing.....1	Personnel.....11,21	Wheat quotas.....24

HIGHLIGHTS: Senate rejected corn bill. House concurred in Senate amendments to deferred grazing bill. Ready for President. House committee reported bills for sale of extra-long staple cotton from stockpile, and for relief from certain CCC claims on feed grain deliveries in emergency feed program. Sen. Kuchel inserted Secretary's Calif. speech.

HOUSE

1. DROUGHT RELIEF. Concurred in the Senate amendments to H.R. 2367, to establish a deferred grazing program for drought-stricken areas. This bill is now ready for the President. p. 4915
2. COTTON. The Agriculture Committee reported without amendment H.J. Res. 172, providing for the withdrawal and transfer of 50,000 bales of domestically grown extra-long staple cotton from the critical stockpile to CCC for sale (H. Rept. 340). p. 4917
3. FEED GRAINS. The Agriculture Committee reported without amendment H.R. 2486, to authorize the CCC to grant relief with respect to claims arising out of deliveries of eligible surplus feed grains on ineligible dates in connection with purchase orders under its emergency feed program (H. Rept. 341). p. 4917
4. APPROPRIATIONS. Rep. Passman criticized the transfer of requests for foreign-aid funds between agency appropriation bills and "change the name by which the foreign-aid program is identified so as to hoodwink the American people as to what the program costs". p. 4875

The Appropriations Committee was granted permission to file, by midnight Fri., Apr. 12, reports on three appropriation bills. p. 4909

5. FLOOD CONTROL. Passed without amendment H.R. 6092, granting the consent and approval of Congress to the Merrimack River flood-control compact. pp. 4907-09
6. DEFENSE MOBILIZATION. Both Houses received from ODM a report on borrowing authority for the quarter ending Dec. 31, 1956, pursuant to sec. 304b of the Defense Production Act. pp. 4831, 4917
7. FORESTRY. Received a Comptroller General's report on the administration of forest management activities by the Bureau of Indian Affairs, Portland, Oreg., area office as of Nov. 1956. p. 4917
8. LEGISLATIVE PROGRAM. Rep. McCormack announced that H.R. 3476, to control plant pests, H.R. 5538, military land withdrawals bill, and H.R. 2146, to amend the Small Reclamation Projects Act, will be debated today. p. 4876

SENATE

9. CORN. Rejected S. 1771, to provide for a 1957 corn-base acreage of 51 million acres, by a vote of 35 ayes to 45 nays (pp. 4840-67). Sens. Hickenlooper, Thye, Humphrey, Martin, Ellender, Case of S.D., Carroll, Malone, Young, Carlson, Holland, Mundt, Aiken, Dirksen, and Potter debated the bill. Sen. Ellender inserted the Secretary's report on the present status of the corn acreage reserve program, and letters from the Farmers' Union, Farm Bureau, and the National Grange on the corn bill (pp. 4854-5); and inserted tabulations showing soil bank operations (pp. 4856-7). Sen. Potter offered an amendment to exempt producers from penalties for wheat raised and used on the farm for feed or seed, which was modified by Sen. Young limiting the referendum to farmers with allotments over 15 acres or who plant over 15 acres and excluding farmers who are exempt from quotas due to use of their entire crop for feed or seed on the farm; and the amendment was then withdrawn by Sen. Potter (pp. 4863-6). Sen. Humphrey inserted correspondence with Assistant Secretary McLain and a letter from Minn. Gov. Freeman relative to corn legislation. (pp. 4866-7).
10. FOREIGN AID. Sen. Smith, N. J., inserted Secretary of State Dulles' statement before the Special Committee to Study the Foreign Aid Program in which he urged separation of military and economic aid, and establishment of a loan fund without prior allocations by country; with an editorial of the New York Times supporting the proposal. pp. 4838-40
11. PERSONNEL. Began consideration of S. 1832, to authorize the appointment of an additional Assistant Secretary of State, which became its unfinished business. pp. 4831, 4867-8

As reported (see Digest 61) S. 385, to authorize the training of Federal employees at public or private facilities, provides as follows:

That appropriations or other funds available for salaries or expenses shall also be available for authorized training; that tuition, fees, and similar related expenses may be paid to the training institution or to the trainee; that no agency funds shall be available to pay for training at any facility that teaches or advocates the overthrow of the Government of the United States by force or violence; that no training shall be provided under the bill for any employee unless authorized by the head of the agency or his duly designated representative; that regulations pursuant to the bill shall be issued by the President and shall set forth obligations to which employees given training under the bill shall agree; that any trainee failing to fulfill these obligations shall be required to reimburse the Government for the expense of the training to the extent the head of the agency finds equitable; that

indispensable supports" of our free Government. And of moral and religious precepts, one of the most basic is the concept of the brotherhood of man.

That is why our people have never even tried to make their Nation into an oasis of prosperity in a world desert of human misery.

Another aspect of our faith is belief in the dignity and worth of the human individual everywhere. All men, our Declaration of Independence said, are endowed with inalienable rights to life, liberty and the pursuit of happiness.

That is why we hate a system which treats men as mere bits of matter to be made into the grinding cogs of some superstate machine. That is why we crave liberty for all men everywhere; and we want to protect liberty where it is, and to see it restored where it is lost.

Our founders did not see their experiment as a purely selfish enterprise. They had the courage to launch their principles into the world. What they did become known throughout the world as "the great American experiment." Abraham Lincoln said of our Declaration of Independence that it meant "liberty not only to the people of this country but hope for the world for all future time. It was that which gave promise that in due time the weights should be lifted from the shoulders of all men."

Because we still retain that sense of mission we are eager that other lands and other people should know the blessings of liberty.

IV

We can, I think, see that what is now called the mutual-security program is the expression, under modern conditions, of two needs: (1) Our need for a common defense with other free nations willing to share with us the burdens and benefits of that relationship; and (2) the need to manifest realistically the faith with which our Nation has been imbued from its beginning, a faith which has made our Nation great in the best sense of that often-abused word.

And let me add that to suppress or to belittle the manifestation of that faith would serve us ill. No society can long survive without a faith which is dynamic and creative and which reaches out to others. If the day ever comes when our Nation is not responsive to the life giving qualities that are reflected in the developmental aspects of our program, then that will mark the beginning of our end.

APPLICATIONS

I

I turn now to the question of what substantive changes should be made in the form of the legislation to make it more responsive to the sentiments which support its dual purpose.

It seems to us that confusion has come at least in part from lumping together as defense support, all kinds of economic assistance given to countries whose military programs we are supporting. Such confusion can be, and should be, ended.

Our support to these countries takes three principal forms: (i) Aid in terms of actual military goods, so-called end items; (ii) support of the economies to the extent required to enable these countries to carry the economic burden of armed forces which we and they agree are necessary for the common defense; and then (iii) the economic-development programs, including technical assistance, which we might be engaged in irrespective of our military ties.

It is our view that the so-called defense support should hereafter comprise only the assistance required to meet so much of the economic burden of military defense as the country cannot itself afford. Appropriations for military assistance and for this redefined category of defense support would

then be authorized on a continuing basis and hereafter appropriated annually to the President in appropriations for the Department of Defense.

We believe that this way of treating military assistance, which also is recommended by many of the recent studies on the subject, would avoid a wide degree of misunderstanding abroad and at home by making apparent the degree in which we wish our aid to serve military defense.

II

I turn now to the economic-development aspect of the program.

We believe that all economic development, including that which goes to countries with which we have common defense, should be considered together. We also believe that more emphasis should be placed on long-term development assistance.

It is true that our economic aid cannot be more than a marginal addition to any country's development efforts. This addition can, however, be significant and even determining. It can break foreign-exchange bottlenecks and it can be a key factor in stimulating a country to a more effective development program of its own. If our development aid is to have this effect, however, we must do two things: (i) Break away from the cycle of annual authorizations and appropriations, and (ii) eliminate advance allocations by countries.

Economic development is a continuing process, not an annual event. Present annual appropriations have resulted in procedures which do not allow either of us or the receiving countries to make the most efficient use of the resources which we are providing.

The best way to achieve this greater efficiency is, we believe, the establishment of an economic-development fund to provide assistance through loans on terms more favorable than are possible through existing institutions. To be effective, such a fund would need continuing authority, and a capital authorization sufficient for several years, to be renewed when needed.

Such a fund could extend aid for specific programs or projects submitted by applicant countries. Each request for a loan from the fund should meet certain criteria, including a showing (i) that financing cannot be obtained from other sources; (ii) that the project is technically feasible; (iii) that it gives reasonable promise of direct or indirect contribution to a nation's increased productivity.

The fund could usefully join with such institutions as the World Bank or the Export-Import Bank in financing particular projects. Its aid might thus enable these banks to expand their operations, by assisting projects which could not qualify in their entirety for loans which these institutions are authorized to make. In order not to displace other sources of credit, loans from the development fund should be repayable on a basis subordinate to the claims of the World Bank, the Export-Import Bank, and private lending agencies.

To make development aid most effective and economical, we must provide it in a businesslike way. I believe that the procedures outlined above will have that effect.

III

In addition to need for foreign aid military programs and loans for economic development, there will undoubtedly be some need for foreign financial aid on a grant basis.

International communism is waging against us what is sometimes called a cold war. It can move, without budget controls or parliamentary action, to take advantage of opportunities such as those created by its own subversive efforts, by the infirmities of free governments not yet solidly based, or by the misfortunes of nature.

It is, therefore, necessary that our Government also have limited discretionary funds so that we, and not international communism alone, will be able to move decisively in relation to such situations. Without that, we would be conceding to despotism an advantage which could enable it to register great gains.

Already we have a special Presidential fund provided by section 401 of the act to meet emergencies and contingencies. A fund for such purposes should be continued.

IV

Technical assistance is a tested and extremely effective way of enabling other countries to develop their own resources. It is our thought that technical assistance, both direct and through the United Nations technical assistance program, should be continued on much the present basis.

V

As to the administration of the revised program, we have in mind that military end-item aid would continue to be administered by the Department of Defense and that each of the types of economic aid that I have described would continue to be administered by the International Cooperation Administration.

We do not believe that it would be wise to transfer the administration of defense support to the Defense Department. This would require a wasteful duplication within the Defense Department of ICA's well-established economic organization. And it would divide between two agencies the responsibility for administering economic programs which must, for the sake of efficiency and good management, be closely coordinated.

We believe that the International Cooperation Administration should be continued and that it should be continued as it now is, namely, a semiautonomous agency.

We believe that all aspects of our mutual security program should be under the effective foreign-policy guidance of the President and the Secretary of State. This can be done by the exercise by the President of his inherent power to direct the executive branch of Government. To achieve this result does not require throwing into the Department of State heavy operating responsibilities.

VI

I turn now to the question of the order of magnitude of our programs.

(1) Assuming that the international climate remains as at present, I would estimate that grant-aid expenditures for military purposes would need to continue for some years at a level close to the present. In some instances the size of the local forces that mutual security helps to support may, perhaps, be reduced without undue political and military risks. That would suggest declining costs for us. On the other hand, it may be necessary to reorganize and equip our allies with more modern types of weapons. This suggests increasing costs. Perhaps these two factors will roughly balance each other.

(2) On the assumption that economic development is hereafter made through loans and not through grants, this would, I surmise, require a development fund able to make loans which, not for fiscal year 1958 but over the future, might come to reach \$750 million a year. The procedures we suggest should permit substantial savings in terms of lesser administrative costs and an ability to accomplish more with less expenditure. On the other hand, the needs may become more compelling.

(3) In addition, there is the continuing limited requirement, to which I have referred, for grant aid to meet contingencies and imperative needs which cannot realistically be met by loans. Also, of course, there

are the technical-assistance programs now running at about \$150 million a year.

VII

In conclusion, I recall the report of the Foreign Relations Committee of last June in relation to the mutual security program. The committee report said: " * * * the next few years may be more difficult in some respects than the last few. The problems are becoming subtler and more complex. The mutual security program must be adapted to meet the new circumstances."

We believe that the proposals I have outlined this morning are adapted to meet the new circumstances. They are based upon the high-quality studies you have commissioned and those made by and for the executive branch. Many of these agree to a remarkable extent not only on the value to us of our military and economic aid to others but also on changes in the form of our mutual security program which would make it more effective in promoting our national interests.

We accept responsibility for our proposals but do not claim sole credit for them. We regard them as being derived equally from the work of the Congress and from the efforts of the executive branch. We believe that their broad outline is sound. We recognize that there are various ways by which this outline can be carried out. We invite and welcome your comments and further consultation on the best means to develop these proposals into the most effective instrument of national policy.

[From the New York Times of April 9, 1957]

MR. DULLES ON FOREIGN AID

A long series of special reports to Congress on various aspects of the foreign-aid problem has now been topped off by the administration's own proposals, presented yesterday by Secretary Dulles.

In line with the recommendations of many outside experts, the State Department wants to make large-scale loans for economic assistance to underdeveloped countries under a long-term program without the necessity of running back to Congress for new authorizations on a year-to-year basis. Furthermore, a relatively clear distinction which does not now exist would be made between military and economic aid—with the former being handled by the Pentagon and the latter by civilian agencies. The fiscal effect of his proposals on the administration's \$4.4 billion request for foreign aid for the coming year would, according to Mr. Dulles, be negligible.

One of the most cogently criticized aspects of our current foreign-aid program is the spasmodic, uncertain and yet rigid way in which it is carried out. Just last month the Brookings Institution pointed to the "political and economic strings" which were hampering American activities in this field; and this highly respected research organization added that if the program was to be continued "its authorization and financing should be placed on a more long-term basis than at present in order to provide for effective administration." Greater flexibility of action and more freedom from the minutely detailed restrictions written into the program by Congress are essential, the report noted, if foreign aid is to succeed in adapting its methods to rapidly changing situations abroad.

The aid program envisaged by Secretary Dulles—not to the exclusion of grants but with the emphasis on loans—would help achieve the greater efficiency we all are seeking. It would permit more stable and coherent planning of development projects; and, while the loans would necessarily be of such type that their repayment even under easy terms could not in all cases be guaranteed, they would doubtless stimulate a far greater degree of self-help than is now likely by the recipient countries.

Separation of military from economic aid programs is manifestly desirable, if for no other reason than to clarify the distinction in the minds of Congressmen and the voters. The overwhelming part of our present aid to foreign countries is for essentially military purposes—quite likely a disproportionate part. When the American people understand how relatively little we have been spending on economic assistance, a more sympathetic atmosphere may be created for necessary expansion of this kind of help to those parts of the world that either are free or are seeking freedom from the domination of Communist, imperialist Russia.

The PRESIDING OFFICER. Is there further morning business?

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Without objection, it is so ordered.

Morning business is concluded.

Mr. JOHNSON of Texas. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

CORN BASE ACREAGE FOR 1957

The Senate resumed the consideration of the bill (S. 1771) to provide for a 1957 corn base acreage of 51 million acres, and for other purposes.

Mr. HICKENLOOPER. Mr. President, for a short time I should like to address myself to the so-called corn bill, which is the unfinished business, Senate bill 1771. The bill was voted on by the committee about 10 days ago, and reported by the junior Senator from Minnesota [Mr. HUMPHREY].

This bill is in the nature of emergency legislation to meet a situation in connection with the 1957 corn crop, so far as base acreage is concerned, and supports for this crop year only.

It was pointed out in the discussion of the bill yesterday that the bill is not permanent legislation. It applies only to the 1957 corn crop. It is the hope of those of us who are interested not only in corn legislation, but agricultural legislation in general, that if the bill is passed the committees can immediately begin the study of more permanent and comprehensive legislation which will affect the various feed crops of the Nation, and the entire agricultural situation, so that we may have some chance in this session of the Congress of passing desirable legislation which will affect next year's crops and the crops in ensuing years, without making it necessary for Congress, in January of every year, to enter into a sometimes futile effort in order to enact corrective measures.

So far as the Senate is concerned, the history of the pending legislation is roughly as follows: A number of bills with respect to corn were introduced early in the session. They were introduced because in the referendum pro-

vided for by the law, under which the farmers of the country were given the right to vote on the corn program, the new corn program provided for by the Agricultural Act of 1956 was defeated because it failed to get 66½ percent of the votes necessary for approval. That program provided for a base acreage of 51 million acres, the same as last year. Because of that vote, corn legislation automatically reverted to the formula which has been contained in the law for some years, and which provides an acreage allotment for the commercial corn area of about 37,300,000 acres, and that, unless the law were changed, would be the base for corn price support calculations.

As has been pointed out, in the commercial corn area, with a base acreage of 37,300,000 acres, the acreage which would be allotted to each farmer under that formula would be so small that in the major corn-producing areas a farmer could not live under such a base and still put 15 percent of his average corn producing acres in the acreage reserve of the soil bank. That has been generally agreed to by everyone I know of who has any intimate acquaintance with the Corn Belt situation.

Fifty-one million acres seem to be the generally approved and agreeable base acreage in the commercial corn area with which to measure the standards of base acreage allotments on the farms which will sustain and support a reduction by contribution to the soil bank of at least 15 percent of the base acreage.

We have been all through this argument, up and down and back and forth, this year, last year, and the year before. I believe Members of the Senate in the main are quite familiar with the principles involved in the pending bill, therefore I shall not take too much time in discussing the details at this time.

However, I should like to point out that corn is in a peculiar situation so far as the Nation's crops are concerned, especially the basic crops. Corn is a feed crop. We hear very often the statement made that corn ought to be under marketing quotas, so that only a certain amount of corn could be marketed. Of course, in the case of corn, marketing quotas were provided for at one time. But they do not work. That is because corn is used, in the main, on the farm where it is produced, or in a neighboring area, and comparatively little of the total corn crop goes into the general commercial channels of trade. It is a fundamental and basic feed crop for animals, both red meat and poultry.

The pending bill, as I said at the outset, is in the nature of emergency legislation. It does not attempt to attack all the agricultural problems; it goes only to the question of corn supports and acreage for this year.

It establishes the total number of base acres in the commercial corn area at 51 million acres for the purposes of the price-support and soil-bank programs. Incidentally, the calculations on each farm in the commercial corn area have already been made. They were made last year. The majority of the farmers who voted last year in the referendum—61 percent plus, I believe—voted for the

51-million-acre base. The farmers know what it is.

The bill further provides that to enable a corn farmer to get support on his corn, he must adhere to the base acreage for which his farm calls within the 51 million acres allotted in the commercial corn area.

The farmer must, in addition, place the equivalent of at least 15 percent of his corn acreage into the soil bank. He may do that in one of two ways. He may take the 15 percent, or whatever proportion he desires, out of his allocated base acres. He can take them out of cornland and put them into the acreage reserve. For that he will get a payment based on the estimated potential of the particular land for corn-production purposes. There is a formula established for that calculation. Or he can put 15 percent of his other tillable land, normally rotated in crop-rotation practices on his farm, into the conservation reserve, for which he will get compensation. These acres put in the soil bank will not be permitted to produce crops for competitive use. That is, the farmer cannot seed it. It must go into the conservation reserve, and cannot be cropped or grazed.

The conservation reserve, into which he put the required number of acres, will have to be in effect for a minimum of 3 years. In other words, the farmer will have to put those acres into the conservation reserve for a minimum of 3 years and a maximum of 10 years. He cannot contract for more than 10 years.

There is one exception to that. If a farmer wants to put a portion of his land into the conservation reserve and plant it to trees, he can do that for a minimum of 3 years or a maximum of 15 years, within the discretion, I believe, of the Secretary of Agriculture. However, the maximum period is 15 years in the case of tree planting.

The pending bill does not change the situation with regard to other feed grains. It applies only to corn. It does not change the situation with respect to grain sorghums, barley, oats, or rye. It does not affect them at all. It affects only corn.

Lest there may be some confusion about some of the sections of the bill, let me say that a provision in it repeals the now unnecessary and ineffective provision in the act of last year providing for the referendum of last December.

As has been pointed out before—I think the Senator from Minnesota [Mr. HUMPHREY] pointed this out very clearly yesterday—the proposed program is simply an attempt to attack the entire feed production problem, because if we have a superabundance of feed, feed therefore is cheap, we will have a superabundance of animals, cheap products and lowered farm income, and an approach to disaster economically so far as the corn-hog-cattle-feed industry is concerned.

The bill should reduce the total number of acres planted to corn, or the total number of feed-producing units, by the equivalent of at least 15 percent of 51 million acres. We often hear it said that simply to reduce the corn acres will not necessarily solve the problem

which needs to be solved. Such a statement misses the point, because not all of the acres will come out of corn. Some of the acres will come out of other feed-producing crops.

As I pointed out a moment ago, it is not the sole purpose of the bill to reduce corn production. One of the major purposes of the bill is to reduce the number of feed-producing units. It makes some difference whether corn acreage is reduced, of course, because of the feed value ratio of the various foods. Although it does not make too much difference whether the corn acreage is reduced, it does make some difference for certain technical reasons. But, as I said a moment ago, the bill will have the effect of reducing the total number of feed-producing acres.

I hope the bill will be passed, although I am frank to say that because of the delay, for one reason or another, in getting the matter at issue, the time in which good can be accomplished is becoming very, very short.

I have heard many persons say that the soil bank program did not work well last year, except in certain areas and under certain conditions. Mr. President, the Soil Bank Act did not have a chance to work properly last year, because it was not passed in time to enable farmers throughout the United States to plan their programs or their general operations in such a way as to get their land into the soil bank.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. THYE. The distinguished Senator from Iowa, who represents, in part, one of the largest corn-producing States in the Union, has made a very able presentation, and has very clearly defined the entire subject of corn acreage, as it relates to the bill.

The Senator from Iowa is entirely correct when he says that the law which was enacted last year came too late to have any major effect on the reduction of corn planting in the large corn-producing States of the Union.

This year, however, the county committees, the State committees, and the farmers themselves, are better acquainted with the question involved in the program. Even though the month is April, and today is the 10th of April, the farmers still have until well into the first week of May before planting actually will be underway, so there is time to enact the proposed legislation and present it to the farmers through the county committees. It will not be too late for the proposal to have the effect of reducing the number of acres of corn which are at present contemplated to be planted in the 6 major corn-producing States of the Union. If the Senate can pass the bill today, I am confident that the House will act likewise within this week. If that can be accomplished, then I should say the bill would have a material effect in reducing the size of the corn crop which otherwise would be harvested if the weather were favorable during this year.

Mr. HICKENLOOPER. I thank the Senator from Minnesota. He has stated the proposition succinctly and well. It is

not too late for the proposed corn legislation to become effective if the bill can be passed promptly.

Mr. THYE. That is correct.

Mr. HICKENLOOPER. But every day of delay will make it more difficult to put the program into effect. All of us know that to be so.

In my own State of Iowa the general rule of thumb used by the farmers is to have the corn finally in the ground by the beginning of the last week in May. The beginning of the planting, not only in the Middle West, but also in other places where corn is planted, will occur as soon as it has been determined that the ground is in a proper condition to receive the seed, so far as the temperature, moisture, and similar factors are concerned. Although it is difficult to say exactly when farmers will begin to plant corn, it will probably be, as the senior Senator from Minnesota, who is an expert farmer himself, has said, around the first week in May, because that will be the time when, generally speaking, conditions can be relied upon to be satisfactory for corn planting. So there still is time for the program to become effective in the great corn-producing areas, if the bill can be acted upon promptly.

I stated a moment ago that some persons have said the soil-bank operation last year was not successful. It was successful where it operated; there is no question about that. But the soil-bank program was not timely last year. All over the commercial corn area, much of the land had already been plowed, planted and cultivated. The cultivation of the extra acres had previously taken place. In many instances the soil-bank program was not an inducement, because the farmers had already made their plans, and their programs were underway.

I heard yesterday some discussion to the effect that although the soil-bank program went into effect last year, the corn crop was larger than it had been for many years. That is very true. I have heard the statement that more corn was planted in this country last year than in the previous year. That is not true. The total corn acreage last year was the lowest it has been for 20 years or more. A total of about 76 million acres of corn was planted throughout the country last year. That was the lowest acreage in a long time.

In many sections of Iowa, which has been, year in and year out, the most prolific corn producing State in the Union, there was widespread drought. I think 19 counties of Iowa were declared to be drought disaster counties last year. Many of those counties raised practically no corn at all. There was a drought in the corn areas of eastern Nebraska and eastern Kansas.

But the significant thing is that the weather was favorable for the growing of corn in most of the Corn Belt last year; and Illinois, Indiana, and Ohio had by far the biggest corn crop in their history, bushelwise. The same was true of most of southern Minnesota, and also of northern Missouri.

So nature came along, and, with favorable and benign conditions, in spite

of drought, in spite of reduced acreage, but in one of the most unusually productive years, so far as corn was concerned, enabled the farmers to produce one of the biggest corn crops ever raised in this country. We cannot control the vicissitudes of nature. The weather could just as well have been the other way. The fact is that more bushels were produced on the 76 million acres planted to corn in the United States last year than ever before in history, so far as I know. There might have been some better years away back in the past. It runs in my mind that the year 1890 was a very prolific corn year, because of the planting of open pollinated corn. But nature took care of that tremendous acreage of corn. That production was not exceeded every year. It will not happen every year. We must deal with the principle and the average.

So far as support prices are concerned, a farmer in the commercial area who undertakes to go into this program and accepts his base acreage under the bill will get a support price for his corn, as has already been announced, if he stays within his base acreage and puts an equivalent 15 percent into the soil bank in 1 of the 2 branches. He will get a support price, I believe, of approximately \$1.36 a bushel.

That can vary between now and October 1, which is the beginning of the marketing year or the time when the support price is calculated. There are various factors which enter into the calculation of the support price. It may not go below \$1.36, but it may go higher if parity comes out at a higher figure than it is at present. But no one can tell that until the calculations are made, based on the formula prescribed in the law. That calculation is made on October 1, I believe, of each year.

So far as corn outside the commercial corn area is concerned, the law already provides that it will be supported at 75 percent of the support price level in the commercial corn area. Under the bill it would be supported at 82½ percent of the support-price level in the commercial area, as it was last year. As I have said, Mr. President, the pending bill, being a special bill devoted entirely to corn, does not concern itself with the supports or the situations of the other crops in the program. It does not alter their situations from what they were last year or from what they otherwise would be this year. I can only say that it is vital and very important to the economy of the Nation as a whole that the economy of the great feed-producing area shall not slide down the hill to destruction. Not only is it very important to the well-being of the people, but it is also very important to the Federal Government—if I may be so commercial as to refer to the revenues of the Federal Government—because if the income of that great heart land of the Nation declines to a point where no profit is made, the Government will obtain no revenue from that area, by way of taxes. But if the economy of the great agricultural Middle West is prosperous and profitable, profit will accrue not only to those who live in the Midwest, but also to those who live in the Far

West, to those who live in the East, and to those who live in all other agricultural areas. Not only will they make profits, but they will pay to the Federal Government taxes far, far in excess of the cost of any program of this kind. So I believe the program called for by the bill represents pure, simple, good economics.

Mr. President, I believe the bill is simple, and I believe it is understood. I believe it is merited. I believe it is a measure which is urgently desired and recommended by the farm organizations and by the farmers of the country who understand the seriousness of the present situation. The bill should be passed by the Senate of the United States.

Mr. HUMPHREY. Mr. President, will the Senator from Iowa yield to me, in order that I may ask him some questions?

Mr. HICKENLOOPER. Yes. I should like to discuss the bill at greater length; but this morning I have a bad throat, and I can hardly talk.

Mr. HUMPHREY. I wish to ask the Senator from Iowa several questions about matters to which I know he has given considerable thought; and I should like to obtain from him his observations or conclusions in regard to these matters.

My first question is this: Does the Senator from Iowa believe there will be more or less participation by the corn producers in the soil bank in 1957 if the pending bill, S. 1771, is enacted?

Mr. HICKENLOOPER. Definitely.

Mr. HUMPHREY. Definitely more or definitely less?

Mr. HICKENLOOPER. Definitely more.

Mr. HUMPHREY. Definitely more participation in the soil bank?

Mr. HICKENLOOPER. Yes, indeed. Let me amplify my statement by saying that while there has been substantial participation in the soil bank, based on the 1957 acreage allotment of 37,288,889 acres; yet, as the senior Senator from Minnesota [Mr. THYE], the junior Senator from Minnesota [Mr. HUMPHREY], and other Senators have pointed out, today the participation in the soil bank is largely in the fringe areas, where the heavy production of corn does not usually occur; and the smaller participation is in the areas, where, last year, the greatest number of bushels ever grown in this country were produced. We must assault the problem of the production of feed-producing units in the areas where they can be produced in the greatest abundance.

If the pending bill is passed and is enacted into law, I am very sure, from my conversations with farmers, with those interested in organizations, and all others who know about the program, that the bill will assault the problem in the area of most prolific production. That is one of the problems we wish to reach; and that problem will be reached by means of the bill, not only in the case of corn, but also in the case of other feed crops from acres producing units of feed grains which go over into the conservation reserve or into the acreage reserve.

Mr. HUMPHREY. I desire to agree with that observation, by the Senator

from Iowa. I should like to thank him particularly for explaining in so direct, persuasive, and factual a manner the impact of the bill upon other feed grains, as well as upon corn. Although the bill is specifically directed to corn, it has an indirect effect upon reducing the production of other feed grains, by removing acreage from production. Is not that correct?

Mr. HICKENLOOPER. Yes. The Senator from Minnesota mentioned that fact yesterday.

Mr. HUMPHREY. Yes, I tried to do so.

Mr. HICKENLOOPER. All those whom I consider to be experts on these matters—the various farm organizations and the farmers who have studied them—are in agreement.

There is a misconception that this measure is directly and exclusively devoted to corn. It is true that corn is the primary crop involved in this instance; but other feed grains are affected by the bill; and many acres which produce them will, under the bill, also be taken out of production. The result of enactment of the bill will be to take them out of production, as well as to take many corn-producing acres out of production.

As the Senator from Minnesota has pointed out, and as all of us agree, the overall feed-unit production is what we are trying to attack in this case; and we are trying to reduce it, in order to reduce the surplus.

Mr. HUMPHREY. My second question is as follows: Does the Senator from Iowa believe there will be more or less corn production in 1957 if Senate bill 1771 is enacted?

Mr. HICKENLOOPER. I think that definitely there will be less corn production, and I shall tell the Senator from Minnesota why. Let me add that I mean to say that I shall state this for the RECORD, for I know that the Senator from Minnesota is as thoroughly aware of the reason as I am. The reason is that there will be approximately the same number of acres normally planned to be planted to corn in the United States in 1957 as there were in 1956 or in 1955. The strange thing is that in the commercial corn area, for years 56 million acres plus have been planted to corn. That total acreage has not varied, regardless of the support programs or anything else. Approximately so much corn will be planted. If we do not have a program which will induce the corn farmers to take out of production acres normally planted to corn—in other words, if we do not have a program similar to the one embodied in Senate bill 1771, if we do not have a program to induce the farmers to take cornland out of production—we shall have the full production of the full acreage.

But if the pending bill is enacted into law, if the corn farmer wishes to participate in the program and wishes to receive the supports and wishes to participate in the soil bank, there will be a reduction of from 10 to 15 or 20 percent in the total overall acreage, and of necessity there will be less corn produced.

Mr. HUMPHREY. On that basis, does the Senator from Iowa feel that the Commodity Credit Corporation will be called upon to take over less corn or more corn or other feed grains, as a result of support loans on the 1957 crop, if the pending bill is enacted into law?

Mr. HICKENLOOPER. If the bill is enacted, it is my firm belief that the Commodity Credit Corporation will not have to take over so much feed grain, because the total supply of feed grain will be reduced.

Mr. HUMPHREY. The bill will reduce it, will it not?

Mr. HICKENLOOPER. Yes; it will reduce the total supply of feed grain. Of course, the Commodity Credit Corporation will have to take over some—there can be no question about that—if we have a normal year. But the program under the bill will reduce the amount the Commodity Credit Corporation would otherwise have to take over. Furthermore, with a full understanding of the soil-bank program, it is entirely possible that within a year or so the Commodity Credit Corporation may not have to take over any of the feed grains, with certain minor exceptions, because the program will begin to adjust itself to the feed-grain needs of the country.

On the other hand, as the situation is today, no one can plan.

Mr. HUMPHREY. I understand, as I was informed this morning, that if the Senate passes the bill—and I expect the Senate to do so, because the arguments in favor of the bill are persuasive and convincing—the other body is prepared to hold an emergency meeting of its Committee on Agriculture, and at least to give consideration to whatever action the Senate takes. In light of the fact that we have included in the bill section 3, which relates to the overall feed grain situation—

Mr. HICKENLOOPER. And study.

Mr. HUMPHREY. And study—I feel we have a very good chance of getting corn legislation within the next few days, if the Members of the Senate will give us their votes and get the bill out of the Senate Chamber and over to the other body, so that Members of the House of Representatives can take action on it, or at least review it, this weekend.

Mr. HICKENLOOPER. I thank the Senator from Minnesota. I have talked to Members of the other body who are very much interested in this agricultural situation. They have assured me they have a definite feeling that speedy action may be obtained in the House. I do not attempt to predict what the other body of Congress will do. I say that respectfully. Sometimes it is difficult for me to predict what the body of which I am a Member will do, and in my predictions I do not undertake to take on any more troubles than I have. However, I feel chances are excellent that the House will take up the proposed legislation and pass it. Of course, the bill can be bogged down with superfluous and other kinds of amendments which would ruin it. Consideration of the bill could be delayed. I understand all the instruments and weapons of delay. The bill has been too long delayed in the Senate, for one

reason or another, but I feel sure that if speedy action on the bill is taken in the Senate, it will be speedily acted on in the House.

Mr. President, I yield the floor.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MARTIN of Iowa. Mr. President, I speak in support of S. 1771. This bill has been termed "a corn bill for 1957." Certainly that is an accurate description, but it would be a mistake to consider the bill as one that has an effect only on corn and the corn farmers of the Nation. S. 1771 is of primary importance, not only to the people of Iowa and the other corn producing States, but because of the importance of corn in the complete picture of agriculture it is very important to the entire country.

We are facing a crisis in the corn producing area of the country. The people of Iowa, like the people of other corn-producing States, are looking to Washington for legislative help. I invite the attention of Senators to the need for quick and beneficial congressional action on this vitally important matter. I feel I would be remiss in carrying out my responsibilities if I did not point out some of the most important facts of the current problem and the possible solution being debated by the Senate today.

CORN IS DISTINCTIVE

Corn is the most important and the most valuable single crop grown in the United States. More land is used for the production of corn than for the production of any other single crop. In many, many areas of the United States the most productive land is used in the production of corn or is used in a rotation cycle of crops in which corn is a vital part. The following table indicates the position held by corn in the total agricultural picture:

Crop	Rank	Value of crop 1956
Corn.....	1	\$4, 571, 000, 000
Hay.....	2	2, 302, 000, 000
Cotton.....	3	2, 152, 000, 000
Wheat.....	4	1, 970, 000, 000
Tobacco.....	5	1, 147, 000, 000
Soybeans.....	6	1, 012, 000, 000

There is another characteristic of corn which sets it apart from other crops. This differentiation is basic to our discussion today. For example, compare the relative situations of the farmer who grows cotton and the farmer whose main crop is corn. When the cotton farmer has harvested his crop he has no choice but to sell his cotton. There is no way he can use it on his farm. With corn the situation is different. The farmer has his choice of taking the corn to the cash market or feeding it to livestock on his own farm. In fact, corn is peculiar in that over 80 percent of the

corn that is grown on the farm is fed on the same farm or one nearby. Because only a very small part of the corn crop enters trade channels we know that marketing quotas for corn will not work. Congress recognized this fact when it repealed marketing quotas for corn in 1954. In view of these facts it is obvious why any workable corn program must be voluntary. So long as the farmer has the alternative of taking his product to market in the form of livestock and livestock products, a compulsory program for corn will not be successful. All the arguments in the world will not change this fact.

BACKGROUND OF CORN REFERENDUM VOTE

The crux of the present corn problem lies in the results of the corn referendum vote, conducted last December. Let us analyze a few of the factors that helped to contribute to the decision made by the farmers at that time.

As we all know, the corn farmers in the commercial Corn Belt area went to the polls to choose between acreage allotments established by a 37.3 million acre limitation for corn acres in the commercial Corn Belt at price supports of \$1.35 per bushel for 1957 or a program with a total base acreage of 51 million acres with price supports of \$1.31 per bushel for 1957 and a requirement that an acreage equal to 15 percent of their individual corn base acreage be put into the soil bank. A total of 437,480 farmers voted in that referendum; 61.5 percent of those farmers voted in favor of the latter program. In my own State of Iowa this program carried by a 59.9-percent vote. However, in the soil-bank law passed last year there were legal provisions requiring that 66⅔ percent of those voting approve the plan before it could become effective. That two-thirds requirement was a very unfortunate one. In any election a 60-percent vote is considered decisive. When 3 out of every 5 voters voice their approval of any program, it is my belief that such a program has received a substantial mandate from the voters. In this case the two-thirds requirement served to defeat the corn program even though it won approval of 61.5 percent of those farmers who voted.

There seems to be a great deal of misunderstanding involving the two-thirds vote requirement in last December's referendum. Mr. President, it is my belief Congress made a serious mistake in requiring the two-thirds vote for a program that was to be optional for the individual farmers. It is true that the two-thirds requirement is not unusual. It has been used often in the past. However, it has been required when the program being voted upon involved compulsory marketing quotas. It has been required where farmers were asked to accept or reject a program that had the effect of imposing restrictions or controls on all the growers of a particular commodity. All of us are familiar with such programs. We know that if a program of this type is approved by a two-thirds vote, then the producers of that commodity are required to comply with the program, even if they voted against it

in the referendum. Failure to comply involves a penalty. Under those circumstances there is a sound and reasonable basis for requiring a two-thirds vote before the program is imposed on all the growers of that particular commodity.

The choice facing the corn farmers last December did not involve such a program. There was no compulsion involved. The farmers were asked to consider a base acreage program that was entirely voluntary. If the 51 million acre program had been agreed to, the farmer would have retained the right to join the program or to ignore it. There were no penalties involved if the farmer decided to refrain from complying with the program. It is my belief that the two types of votes—one involving compulsory marketing quotas and one involving voluntary acceptance of base acreages—are vastly different, and it was a serious mistake to impose the two-thirds vote requirement upon a purely voluntary program. The need for the bill we are considering today is the result of that mistake.

Another factor of the referendum last December that is worthy of note is the fact that very few farmers voted in the referendum. Only 21 percent of those eligible cast their votes, and only 31.5 percent of that small number turned down the base-acreage program.

There are several possible reasons for that exceedingly light vote. Beyond question there was a great deal of misunderstanding on the part of the farmers. The top officers of the Department of Agriculture have testified that they did the best educational job possible in trying to inform the farmers of the ramifications of the choices available to them. The major farm organizations of the country did not agree among themselves on how the farmers should vote. Certainly, it is unfair to criticize the farmer in Iowa or in any other State because of his failure to vote in the referendum.

I think it is safe to assume that a different result might occur if we could turn the clock back. I think it is very possible that the farm organizations and their leaders, and the farmers themselves, might have governed themselves differently if they could have foreseen what was going to happen. But the primary task before the Senate today is not to consider what might have been done. We must start with the facts as they exist today. We must start with the results of the December referendum, for certainly we can do nothing to change those results now.

PRESENT OUTLOOK FOR CORN FARMERS

Mr. President, the outlook for the corn farmers of the Nation is today as dark as it has been in many, many years. Because of the referendum vote, the corn farmers who wish to join in the corn program have only one choice, namely, to fit their individual plans into the overall pattern established by a total acreage allotment of 37,300,000 acres for the commercial Corn Belt. This restriction is not realistic. This restriction is almost meaningless because the farmer cannot live with it.

Traditionally, approximately 56 million acres are planted in the commercial

Corn Belt. I ask unanimous consent to have printed in the RECORD at this point a chart listing the number of corn acres actually planted from 1952 through 1956, and the number of counties in the commercial corn area, the total allotments for each year, the percentage of allot-

ments, and the percentage of the planted acres on complying farms.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Is there objection?

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

	1952	1953	1954	1955	1956
1956 commercial corn area (planted acres).....	55,921,000	57,345,000	57,002,000	56,879,000	55,086,000
Number of counties in area.....			834	805	840
Total allotment for each year.....			46,996,000	49,843,000	43,281,000
Percent of allotment on complying farms as of all farms for each respective year.....			42.7	54.2	45.9
Percent planted acres on complying farms as of all farms for each respective year.....			30.0	40.5	35.8

Mr. MARTIN of Iowa. Mr. President, even this chart does not tell the complete story. Since the crop in 1956, another 52 counties have been added to the commercial Corn Belt, which will further expand the size of the commercial Corn Belt by approximately a million acres. This will seriously reduce further the individual corn-acreage allotments.

In order to break this fact down and bring these necessary reductions closer to us, I request unanimous consent that at this point in the RECORD, a table be inserted showing the difference, state-wise, between the 37.3 million acre corn-allotment program and the 51 million corn-acreage base.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

State	1957 allotment	1957 soil bank base acres
Alabama.....	303,314	414,842
Arkansas.....	87,706	119,955
Delaware.....	108,971	149,039
Georgia.....	378,147	517,191
Illinois.....	5,857,909	8,011,861
Indiana.....	3,016,533	4,125,712
Iowa.....	6,862,686	9,386,093
Kansas.....	905,079	1,237,876
Kentucky.....	909,810	1,244,347
Maryland.....	263,825	360,834
Michigan.....	995,695	1,361,812
Minnesota.....	3,436,176	4,699,657
Missouri.....	2,381,250	3,256,835
Nebraska.....	4,272,390	5,706,576
New Jersey.....	104,900	143,472
North Carolina.....	850,262	1,162,902
North Dakota.....	71,182	97,355
Ohio.....	2,156,784	2,949,833
Pennsylvania.....	582,079	796,109
South Dakota.....	1,948,675	2,665,202
Tennessee.....	458,135	626,591
Virginia.....	123,548	168,977
West Virginia.....	15,835	21,657
Wisconsin.....	1,297,998	1,775,272
Total.....	37,288,889	51,000,000

Mr. MARTIN of Iowa. Mr. President, a look at any of the figures for the various States emphasizes the gravity of the problem we face today. In Iowa, under the conditions as they now exist in the commercial Corn Belt, we would be required to cut our corn acres from 9,386,093 acres to 6,862,686 acres in order to cut corn producing acres in the commercial area to a total of 37.3 million acres. The corn farmers of Iowa have not generally accepted that restriction. They cannot live with it and they will not try.

We have already seen the handwriting on the wall. Recently the Department of Agriculture released the signup figures following the 8th of March closing

day for corn signups for the 1957 corn-allotment program. These figures indicate that a total of 4.5 million acres in the commercial Corn Belt have been placed under acreage reserve contracts. That news was very heartening. It appeared that the soil bank would be more effective than we had thought when the results of the referendum limiting the acreage in the commercial Corn Belt to 37.3 million acres were first announced.

A careful analysis of these acres committed to the acreage reserve dispels that optimism, however. Instead, it reveals the true nature of the corn problem. A large percentage of these acres is located in the fringes of the commercial Corn Belt or in areas where production has been low in the last several years. A few days ago the senior Senator from Minnesota inserted a complete set of figures into the record showing that the heart of the commercial Corn Belt area was the lowest area in terms of corn signups. I will not burden the record with a repetition of those figures, but for the purposes of this discussion let me repeat a few of the more startling facts.

There are six States in the commercial Corn Belt that produce over three-fifths of all the corn produced in the United States. These States are Iowa, Illinois, Minnesota, Ohio, Indiana, and Wisconsin. These States accounted for 61.8 percent of the total production of corn in the United States last year.

What is the rate of signups for the 1957 corn program in these States? Let me read the figures and the respective percentages: Minnesota, 5.7 percent; Illinois, 5.8 percent; Wisconsin, 10.7 percent; Indiana, 11 percent; Ohio, 11.3 percent; and Iowa only 8.7 percent.

That simple set of six figures, Mr. President, sounds the death knell for the 1957 corn program as it now stands. When we understand the significance of those figures we understand the dire necessity for passage of the bill we are debating today.

FAILURE OF CORN FARMERS TO COMPLY WITH 1957 ALLOTMENTS

Mr. President, I will not spend a great deal of time painting the picture of what will happen because the corn farmers have not agreed to the 1957 allotments. It will mean a great expansion in the production of corn. The 37.3 million acres for the commercial area in 1957 is one-third fewer acres than were planted in the commercial corn area in 1956. It is the lowest per-farm allotment ever

imposed on the corn farmers of the Nation. A businessman would not accept such a restriction voluntarily. Nor will the farmer accept it. He will look for ways to avoid that restriction. The ways are not hard to find. He simply will not join the program; he will not comply.

The initial effect will be felt by the corn and feed-grain sellers. Their prices will not slip, they will swoop. But the unfortunate result does not stop there. Cheap feed inevitably will be reflected in sharply increased livestock population. That, in turn, will result in lower prices for our livestock, and ruination for the farmers.

We must not overlook the tremendous importance of the livestock market. In Iowa, the leading hog-producing State in the Nation, we are acutely aware of its importance. In order to emphasize the importance of good livestock prices to the entire agriculture picture, Mr. President, I ask permission to insert in my remarks at this point a chart showing the percentage of what livestock and livestock products accounted for in the total farm cash receipts for 1955.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Percentage livestock and livestock products of total cash receipts, 1955

Maine.....	58.5
New Hampshire.....	82.9
Vermont.....	88.2
Massachusetts.....	68.0
Rhode Island.....	72.4
Connecticut.....	65.2
New York.....	71.6
New Jersey.....	64.0
Pennsylvania.....	76.2
Ohio.....	60.5
Indiana.....	63.0
Illinois.....	58.4
Michigan.....	58.4
Wisconsin.....	87.8
Minnesota.....	67.8
Iowa.....	78.2
Missouri.....	66.1
North Dakota.....	23.0
South Dakota.....	67.8
Nebraska.....	70.3
Kansas.....	55.4
Delaware.....	75.6
Maryland.....	69.7
Virginia.....	54.6
West Virginia.....	78.3
North Carolina.....	23.8
South Carolina.....	23.9
Georgia.....	45.9
Florida.....	22.3
Kentucky.....	44.3
Tennessee.....	48.8
Alabama.....	41.6
Mississippi.....	27.4
Arkansas.....	30.8
Louisiana.....	32.1
Oklahoma.....	61.0
Texas.....	40.8
Montana.....	42.3
Idaho.....	42.8
Wyoming.....	77.1
Colorado.....	65.2
New Mexico.....	58.0
Arizona.....	29.0
Utah.....	74.4
Nevada.....	84.5
Washington.....	34.2
Oregon.....	42.4
California.....	36.1
United States.....	54.1

Mr. MARTIN of Iowa. Mr. President, it hardly seems necessary to point out the importance of avoiding sharp de-

clines in the prices of livestock when over half of the total cash receipts for all States in 1955 came from livestock and livestock products. In 9 States, of which my State of Iowa was one, livestock products accounted for over three-fourths of the total agricultural cash receipts. This also is graphic proof, I believe, that something must be done to avoid the sharp increases in the production of corn that will occur unless we do something to believe the corn farmer of the 37.3 million acre corn allotment for the commercial area now imposed upon him.

There is another unfortunate part of this picture. If we do not change the 37.3 million acre allotment, now applicable for 1957, and great surpluses of corn appear, as they most certainly will, next year we shall see another sharp drop in the allotment for the commercial Corn Belt. Since one of the factors that determine the allotment for the commercial area each year is the amount of corn that is on hand, next year's allotment is liable to make the 37.3 million acres for 1957 look very liberal. As Senators can well see, this could easily be the

start of a vicious cycle of increased production and decreased allotments. The ever-narrowing allotments will inevitably crush the corn farmer unless they are stopped.

PRESENT SUPPLIES OF FEED-GRAINS ON HAND

Mr. President, before concluding this discussion of the importance of avoiding increased production of corn if at all possible, and the practical certainty that the present program will result in sharply increased corn production, one more fact should be pointed out. This production will be doubly serious because at the present time, we have the highest supplies of feed and feed grains in our history. During the recent hearings before the Senate Committee on Agriculture and Forestry, the representative of the American Farm Bureau Federation inserted in the record a chart indicating the seriousness of this situation. Because it bears directly on this point, I request unanimous consent that this chart be included in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Specified data re feed grain supplies, beef and pork production, cattle and hog prices

Item	1951	1952	1953	1954	1955	1956
Million bushels						
Feed grain supply: ¹						
Corn.....	3,666	3,779	3,979	3,978	4,265	4,617
Oats.....	1,158	1,069	1,025	1,230	1,329	1,057
Barley.....	257	228	247	379	401	372
Grain sorghums.....	163	91	116	235	243	205
Rye.....	6	7	8	9	9	7
Wheat.....	104	84	77	60	54	60
Total feed units ²	4,733	4,687	4,897	5,201	5,556	5,717
Grain per animal unit (bushels).....	28.3	29.5	31.3	32.2	33.7	35.3
Million pounds						
Cattle and calves production.....	9,896	10,819	13,953	14,610	15,146	15,900
Pork production.....	11,481	11,527	10,006	9,870	10,991	11,300
Total.....	21,377	22,346	23,959	24,480	26,137	27,200
Per hundredweight						
Hog price received by farmers.....	\$20.00	\$17.80	\$21.40	\$21.60	\$15.00	\$14.40
Beef cattle price received by farmers.....	28.70	24.30	16.30	16.00	15.60	15.00

¹ Calculated as follows: Corn, carryover of old corn on Oct. 1 plus total crop; oats, Oct. 1 stocks; barley, total crop; grain sorghums, total crop; wheat and rye, production fed to livestock during year beginning July.

² Calculated by applying the following factors: Corn, 1,000; oats, 0.503; barley, 0.806; rye, 0.850; wheat, 1.125; and grain sorghums, 0.950.

Sources: AFBF compiled from U. S. Department of Agriculture data.

Mr. MARTIN of Iowa. Mr. President, in conclusion, I should like to point out one additional fact. During the course of this debate we will hear many comments about the close relationship between the corn problem and the problem of feed-grain production all over the country. I do not think many persons who have studied the agricultural problem today will deny that fact. The problems are closely related. In the long run it will be impossible to solve the corn problem without taking into consideration the tremendously increased production of feed grains that have gone into direct competition with corn. But, Mr. President, the bill before us is not a long-range program. I am certain that I am speaking for the commercial Corn Belt

States when I say we will be perfectly willing to sit down and try to devise a long-range program to handle the whole problem. So far as I know, there is no disposition on the part of any of the responsible leaders to view the bill we are debating today as a permanent solution. But, once again, we are working against a distinct time problem. It may be too late already. If that time has not yet arrived, it certainly is very close. We must not confuse a long-range program, which we must have, with an emergency program, which we also must have. The bill we are considering today is the emergency portion of the program. One part of the bill, that part calling for a study and report of the feed-grain problem, is concerned with the other part—the long-

range program. But the crux of this bill is the emergency program we must have now. I sincerely hope the Senate realizes the urgency which establishes the necessity for passage of this bill.

Mr. President, last year we witnessed one of the most discouraging and disheartening experiences I have ever seen. When Congress convened in January 1956, we were told that an agricultural bill would be debated early in the session. Later, a specific date was set. We were to act on a farm bill by the 15th of February. The blow-by-blow time schedule for agricultural legislation last year is mute testimony of the tragedy of delay that occurred.

We started debate on the farm bill on the 22d of February.

A bill, so badly encumbered with agricultural barnacles that it was nonrecognizable, was finally passed almost a full month later—on the 19th of March.

After a conference committee finally worked out a series of compromises, it was sent to the President. By this time the bill had become so garbled that President Eisenhower vetoed it. That veto was delivered on the 16th of April.

A full month later, on the 17th of May, we started debate on a second farm bill. It was passed on the 18th of May, and the President signed it into law on May 28.

Almost 5 full months passed between the time Congress convened and the time President Eisenhower signed the farm bill of 1956. In those 5 months we of the Midwest Corn Belt hoped for quick action. I remember vividly my desire that we forego an Easter recess in order to complete action. But our hopes and desires were in vain. When the bill was finally signed into law—and substantially before that time in fact—the Department of Agriculture voiced its serious concern about the administrative task that lay before them. The Department felt—and I might add with every right to so feel—that they had been given a big job far too late for the best possible administration.

I agreed with them in this appraisal of the time problem. We passed the bill so late in the season that it was impossible to administer it in the way Congress desired. In 1956 we gave the farmers of the Nation a soil bank. But we passed it so late that we handcuffed and shackled the hands of the Department of Agriculture.

Mr. President, I fear we are traveling down the same road again. I support S. 1771 with all the power at my command; but in so doing I have not lost sight of the serious administrative problems it will present. The corn farmers have reached the point of no return and they must have help. Let the record stand clear. Again, in 1957 as in 1956, we have so delayed passage of farm legislation that well-planned, farsighted administration is almost impossible. But let us pass this bill as quickly as possible and extend as much help as possible to our corn farmers rather than desert them in their hour of tragic need.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, I desire to make a few remarks with regard to the pending measure.

I stated in early January that I was opposed to any further corn legislation. When our committee met, as chairman of the committee I took the position that we should await action by the House of Representatives before considering the bill. The measure did receive consideration by the House of Representatives. As all of us know, it was defeated.

I do not know of a commodity which has received more consideration than has corn. Corn happens to be the sweet little blue-eyed, curly-haired girl of the farm program. It gets almost anything it desires. Corn is treated differently from any other of the basic commodities. As Senators know, insofar as the six basic commodities are concerned, corn is the only one which a farmer can produce in excess of his acreage allotment without being subjected to a marketing penalty.

The corn growers appeared before our committee when we considered the farm bill. We held hearings in the fall of 1955, on which we based the 1956 Act. We held hearings in the Middle West, in the Dakotas, in Iowa, and in various other sections of the country which form the commercial corn area.

At that time farmers testified as to what they desired. In the 1956 act no commodity received greater attention than did corn. It required more time to deal with the corn section of the farm bill than was spent on any other section. I realize that the corn provisions contained in the act of 1956 did not receive the unanimous approval of all the corn growers. However, they did receive the approval of a majority of them. Congress passed the law, and, as I recall, all the Senators from the commercial corn States voted for the inclusion in the bill of the corn program.

The corn growers had an opportunity to vote themselves a program wherein the base acres would be fixed at 51 million. The support price was fixed by the Secretary as provided in the bill, but the farmers rejected it. They had their opportunity, but they failed to take advantage of it. That was the reason why I said in the Senate in January of this year, and even in December of last year, that the farm program had received much attention during 1956 and in the fall of 1955, and that I was very hopeful that the law as signed by the President would be given full opportunity to work for at least 1 year. The year I had in mind was this year—1957.

Last year—an election year—corn received two support prices, one for farmers who complied with acreage requirements, and another for noncompliers. The difference between the support price

for the noncompliers and the support price for those who complied was only 25 cents a bushel. More than one farmer asked me, "Why should I confine my planting to allotted acres and get \$1.50 a bushel when I can plant all the acreage I desire and get \$1.25 a bushel?"

As a result of that program—and, of course, as a result also of good weather, as I indicated yesterday—although the corn acreage last year was less than it was in 1955, and although more than 5 million acres were in the soil bank, 219 million more bushels of corn were produced, at a cost to the taxpayers of \$180 million.

I fear that a good many Senators fail to realize the importance of the soil bank. The creation of the soil bank was not for the purpose of assisting the farmers to obtain increased revenue. That was not the purpose at all. Simply, the purpose of the soil bank was to take acreage out of production, so as to reduce surpluses, but, at the same time to reimburse the farmers to the extent that production was decreased.

It was said on the floor yesterday that it would be a shame to deny the farmers of the country more funds, directly and indirectly. When that position is taken, it is getting away from the soil bank, because the soil bank was not created for that purpose. I repeat, it was created in order to do away with as much of the surplus as possible. That was the reason the soil bank law was put on the statute books, and none other.

It is my belief that, if the Secretary had not used a provision of law passed, as I recall, in 1949, a provision which was never before used, in order to afford the corn growers two support prices, we would not be faced with the enormous surplus which is now on hand. I do not wish to go into details again, but as I pointed out on April 4, there was a corn surplus in 1953 of only 267 million bushels, which was more or less a normal carryover. Today almost a billion bushels of corn are on hand. I attribute that to the management of the program on the part of the Secretary of Agriculture. Certainly it is foolish for anyone to believe that by increasing the base acreage it will be possible to reduce corn production. As my good friend from Georgia said to me a while ago at lunch, it would be like trying to make a man sober by giving him more liquor.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. Certainly I am not one who believes that the purpose of the soil bank law is to distribute revenue. The purpose of the soil bank law is to buy a reduction of production. It may be that the total amount of corn produced last year was more than it was anticipated it would be. In some instances I think that was due to weather conditions, and probably to other causes.

However, let no one fail to support the bill now under consideration upon any theory that by having an allotment based at 37 million acres it will be possible to prevent the production of corn. The

fact is that even with a 40 million acre or a 51 million acre allotment, a great many farmers did not comply. I think the percentage of compliance in my State was probably about what it was in other States—at least 40 or 45 percent in recent years. Nevertheless, farmers have been producing about as much corn, year in and year out, over the past 4 or 5 years in South Dakota, which has something more than 30 commercial corn producing counties, as was produced before the allotment system was invoked.

When a farmer has an investment in field and in corn equipment—cornpickers and other machinery which is necessary for the production of corn today—and an attempt is made to reduce the acreage allotment to such a point that the farmer will not comply, he simply will not comply, but will plant more corn.

I doubt that with the 37-million-acre base to the total production of corn will be materially reduced. The only prospect of reducing production is to offer some inducement which will cause the farmer to reduce his acreage. On a 37-million-acre base, he simply will not comply.

Mr. ELLENDER. I point out to my good friend from South Dakota that I really believe that if Secretary of Agriculture Benson had known in advance that a corn-acreage allotment by 37.3 million acres would have provided a corn-acreage reserve of 5,560,464, he would not have asked for any legislation. The fact that the farmers of the Nation signed up for almost 6 million acres was a surprise to everyone, even to many Senators.

The reason this base-acreage program was advocated was to get more farmers into the program, so that the soil-bank goal set last year could be attained.

Let us see what that goal was. Under date of November 30, 1956, when the Secretary announced the unit-payment rate, he gave the 1957 acreage-reserve program goals. What was that goal, so far as corn was concerned? In the case of corn, the goal for 1957 for the acreage reserve is 4,500,000 to 5,500,000 acres. Yet the actual offerings are 100,000 acres more. That was accomplished, not with the 51-million-acre base, but with a 37.3-million-acre allotment. I am satisfied that if the Secretary of Agriculture had known that, he would not have advocated even the bill he proposed.

Mr. CASE of South Dakota. Of course, I am not sure that even with the 6 million acres, or whatever the signup now is, the participation will be in the places where the desired reduction will be accomplished. I think the participation is probably in the marginal areas of production.

Mr. ELLENDER. But when the Secretary of Agriculture arrived at his goal, what did he have in mind? He had in mind that if from 4½ million to 5½ million acres of land were taken out of production that would turn the trick.

I wish to say to the Senator from South Dakota that with the acres offered—which, as of March 29, were 5,596,465—the money allotted for that purpose was \$217 million. In order to

carry out the program on that basis, it will be necessary to dip down into the Treasury—if more acres are devoted to the program—in order to obtain the difference between the \$217,500,000 required for the acres now offered, and as much as \$300 million. That is what will happen. The program as outlined by the Secretary of Agriculture last November—I may say to my good friend from South Dakota—has been reached.

Mr. CASE of South Dakota. In dollars?

Mr. ELLENDER. Yes, positively.

Mr. CASE of South Dakota. Has it been reached in the placing of the acres in the areas of maximum corn production?

Mr. ELLENDER. Mr. President, it makes no difference where the acres are placed, for the reason that if land in, let us say, Mississippi is taken out of production, although the amount of payment per acre in North Carolina is not the same as the amount of payment per acre in Iowa, yet the reduction in corn by means of a certain payment amounts to the same, for the simple reason that the payment—that is to say, the \$217,500,000—is for the reduction of so many bushels of corn. It does not make any difference whether the reduction comes from North Carolina or Iowa. In North Carolina the land planted in corn may be valued for soil-bank payments at \$23 an acre, as against, say, \$40 an acre in the case of Iowa, the point is that regardless of where the acres are located the desired reduction in the number of bushels of corn produced will be accomplished.

Mr. CASE of South Dakota. However, on the basis of the acres involved, it seems to me that the location of the acres will make some difference.

Mr. ELLENDER. However, we are guided by the amount of money available. In other words, if in the case of all the commodities—corn, wheat, tobacco, rice, and others—the goals had been met; the most that could be provided for corn would be the amount called for under the present signups. The only way it would be possible to devote more money to such reductions in corn acreage than the amount already allotted to corn, would be if any money were left over from the other commodities. This money could be applied to increase the amount available for corn. In that way, if the acres under the program are increased, and if the Senate makes the mistake of passing the bill, we shall have to dig down into the Treasury for about \$83 million more, in order to try to assist further the corn-growers.

Mr. CASE of South Dakota. Not in order to try to assist further the corn-growers, but in order to obtain some reduction of the actual production, and to use the money for this purpose, rather than to pay it out in storage fees.

Mr. AIKEN. Mr. President, in reference to the statement of the Senator from South Dakota regarding a possible increase or decrease in the acreage planted, the figures for the intentions to plant, as of March 18, show that the total corn planting in the United States this year is anticipated to be 74.4 million

acres, or the smallest acreage planted in 70 years.

The Senator from South Dakota may be correct in stating that that will not reduce total production, because this figure does not take into consideration the increased yields per acre which we are getting every year. Furthermore, it is entirely possible that some of the decrease in corn planting may be offset by an increase in the planting of other feed grains, particularly grain sorghums, which will be encouraged by the rain and snowfall in the areas normally producing the other feed grains. When, with our increased population, we intend to plant the smallest acreage to corn we have planted in the past 70 years, that shows how far we have come and how much better farmers we are, as we can now produce twice as much per acre as we did 70 years ago.

So the Senator from South Dakota may be correct with respect to total production; but undoubtedly the acreage will be reduced.

Mr. ELLENDER. I wish to state to my good friend, the Senator from Vermont, that, according to intentions to plant, not only are the corn acres being reduced, but the acres planted to other feed grains—with the exception of sorghum and barley—are in the same category. The acres planted to sorghum are the only ones which will be substantially increased over the number last year.

Mr. CASE of South Dakota. In the case of sorghum, the increase this year will be approximately 23 percent.

Mr. AIKEN. That is correct, or almost a 5-million acre increase.

Mr. CASE of South Dakota. And to the extent that the number of acres planted to sorghum is increased, that production will replace the production of corn, at least for feeding purposes.

Mr. AIKEN. It might, bushel for bushel, but not acre for acre, because I do not think the time has yet come when an acre of sorghum produces as much feed as an acre of corn.

Mr. CASE of South Dakota. Perhaps so; but in my State the plantings of sorghum have been perhaps the heaviest since about 1938 or 1940.

Mr. AIKEN. I think that is true in the case of several States which produce large amounts of sorghum.

Mr. CASE of South Dakota. And where the farmers have exercised caution, because of the drought conditions, sorghum offers them a little insurance.

Mr. AIKEN. But it is doubtful that the increase in sorghum will offset the decrease in corn, unless the yield per acre from land planted to sorghum is greater than it has been in the past.

Mr. THYE. Mr. President, my concern is primarily to obtain a high percentage of signups in the very heart of the commercial corn area.

I refer to the map which is available in that connection. The portion colored in yellow, with blue dots, indicates the commercial area. The blue dots indicate the areas recently added to the commercial corn area. The portion colored in yellow covers the western part of Ohio, Indiana, Illinois, Iowa, the southern part of Minnesota, the southeast

corner of South Dakota, the eastern half of Nebraska, the northern half of Missouri, and a few counties in the northeast corner of Kansas; and that area includes some of Delaware and some of the other eastern seaboard States.

But the main question before us is the percentage of signups. The Senator from Louisiana is absolutely correct when he says there is a larger signup than had been anticipated at the outset. That is true, as we may observe by looking at the total increase, figured on a national basis. But when we apply those figures to the heart of the corn-producing area, we find that the situation is a very sad one in the case of Iowa, Illinois, Indiana, Nebraska, Wisconsin, and Minnesota—the 6 big producing States, where in 1956 there was an average yield of 59.3 bushels per acre, as against 22 bushels an acre in many other States which are listed in the commercial corn area. When we examine the records, we find only 9.8 percent of the eligible corn acreage in those 6 States under firm contract; and then we know that we have not reduced the potential production of corn in the United States for the calendar year 1957. That is the only point with which I am concerned.

Of course it disturbs me to be at variance with my distinguished friend, the Senator from Louisiana [Mr. ELLENDER], the chairman of the committee, or with the distinguished senior Senator from Vermont [Mr. AIKEN], the ranking Republican Member of the Senate Committee on Agriculture and Forestry.

However, when we consider the question of the production of corn, we had better take a good, keen look at the matter, because we are trying to reduce the potential of the feed-producing capacity of the Nation. If we do not reduce it, the United States again will harvest—in 1957—a corn crop which will overflow the bins and will threaten the entire livestock industry with overproduction.

The distinguished Senator from Georgia [Mr. TALMADGE], who is now the Presiding Officer, knows to what I refer, because he is a producer not only of livestock, but of poultry. He knows the poultry situation is a distressed one this year, because of the overproduction of eggs and broilers. We are now on the threshold of walking into another situation which is not only comparable, but one which probably will be magnified in comparison.

I thank the distinguished Senator for yielding.

Mr. ELLENDER. I go back to the proposition that if the program is applied to areas where more corn per acre, is produced we are going to have to pay more dollars an acre to have the land taken out of production. We have already exhausted all the funds allotted to corn. They have already been covered by signups. Under the bill, the Secretary of Agriculture could cancel all that out if the farmers agreed; he would not be prohibited from doing it.

The Senator from Minnesota stated yesterday he was going to try to obtain a letter from the Secretary of Agriculture indicating how he is going to distribute the additional acres involved in this bill.

I should like to know what he is going to do about the 1,316,280 acres which have been signed up in Nebraska. That is about the same as the amount which was signed up last year in Nebraska. This year, if the pending proposal shall be enacted, the State of Nebraska will lead the procession, and the corn producers will get about \$40 million out of the Federal Treasury.

Last year, Iowa led by receiving about \$46 million, as I remember the figure. What happened in Iowa? Listen to this. I dislike to repeat this, Senators. Last year the acres planted in Iowa amounted to 33,000 less than in 1955. Over 1,289,000 acres were placed in the soil bank, but the reduction in corn acres was only 33,000. After harvest it was found that, although farmers in Iowa had been paid \$54,914,506 in cash, they reduced production by only 521,000 bushels. The Federal Government paid to the corn producers of Iowa the equivalent of \$105 a bushel for their reduction. That is what happened.

Mr. THYE. Mr. President, will my distinguished friend yield to me at that point?

Mr. ELLENDER. I yield.

Mr. THYE. I have in my hand the crop production report from the Department of Agriculture dated March 18, 1957.

Mr. ELLENDER. I have the report also, I hope the reports correspond.

Mr. THYE. I hope so. I have it in my hand. An examination of the record discloses that in the calendar years 1946 to 1955 there were planted 83,942,000 acres. Production was 3,100,000,000 bushels.

In the calendar year 1956, the crop harvest was 74,410,000 acres. Take note that that is a reduction of almost 10 million acres. But blessed with a bountiful harvest—the Lord was kind to us, and I say that reverently—there were harvested 3½ billion bushels of corn from 10 million fewer acres.

The emphasis should not be on the acres signed up in Iowa, but rather on the bushels of corn harvested. The Lord blessed us all in this Nation with the most bountiful corn crop ever produced by the soil in the history of this land. That is the reason why there was a big production in Iowa, even though so many acres of land were signed up.

Mr. ELLENDER. The huge production my good friend from Minnesota has pointed out is not peculiar to corn. I can well recall that 13 or 14 years ago it required 42 million acres of land to produce the same amount of cotton as can now be grown on 17 million acres. In other words, it required 2½ times the number of acres to produce the same amount of cotton.

Mr. THYE. That is due to the wisdom of man.

Mr. ELLENDER. I understand that.

Mr. THYE. The work of our experiment stations has brought all this into being.

Mr. ELLENDER. That is correct, and I am glad of that, because it is going to be a great thing as our population increases. As the Senator knows, our land resources are decreasing today at the rate of about 1,800,000 acres a year, be-

cause of roadbuilding, construction of airports, and other projects. With our increasing population, money spent on such programs is money well invested. The programs have taught the farmers how to produce more on fewer acres.

Mr. THYE. Mr. President, will the Senator yield further at that point?

Mr. ELLENDER. I yield.

Mr. THYE. The Senator from Louisiana and I have the same common objective. There is no question about what we are endeavoring to do. We are endeavoring to save the Treasury from the burden of the price-support program for the agricultural economy. I personally have a feeling that the greater the number of productive acres brought under soil-bank contracts, the less the Treasury will be asked to pay in the form of support prices and for the carrying of surpluses in dead storage.

The distinguished Senator from Louisiana pointed out that there would be increased food needs in the future as the population of the Nation grows. That is why I asked if the Senator would yield. We need to husband our land in an extremely intelligent manner, in order that the land may not be depleted of its fertility, and that the minerals embodied in the soil may not be used up. Future generations of Americans should have the right to till fertile land which the Senator and I and other Americans have had the right to till in a virgin country. The only way to assure such fertility is to take some of the soil out of production, if it is not needed for harvesting. I believe there is no contradiction of the statement that in the calendar year 1957 we will not need all our corn acreage.

Furthermore, there is a need to conserve the fertility of the soil in a well-managed program which will provide for idle land, land at rest, land which will be building fertility rather than producing a crop which will go into dead storage.

Therefore, if we can get into the acreage reserve and into the soil bank a larger percentage of the land in the corn-producing area, in the heart of the Nation, future generations will be more certain of productive acres from which to harvest than if we now blindly produce more crops than we know what to do with once we harvest them.

Mr. CARROLL. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield for a question.

Mr. CARROLL. I must attend a committee hearing, but I have 1 or 2 questions I should like to ask the distinguished Senator from Louisiana, and also the distinguished Senator from Minnesota [Mr. THYE], if I may be permitted to.

Mr. ELLENDER. I am glad to yield.

Mr. CARROLL. I come from the State of Colorado, which is not a commercial corn-producing State. Colorado does not participate in either the soil-bank program or the price-support program with reference to corn. I asked the same general question yesterday of the junior Senator from Minnesota [Mr. HUMPHREY] which I desire to propound at this time.

I have listened to the discussion about production, what it has meant and what it will mean in the future. Now I wish to talk about the farmers. What will this proposal mean today to the farmer? What is the economic plight of the corn farmer? That is the first question.

Will the incentives that are contained in this bill tend to reduce the farmers' corn production? It seems to me that is the basic question.

If we do not pass this bill, it is my understanding that under the existing law the acreage allotment will be 37.3 million. If there are no incentives to curb production, will the farmer, in order to sustain himself economically, refuse to comply?

Mr. ELLENDER. I may state to my good friend from Colorado that last year, when the 37.3 million acre allotment was fixed under the law, no one, not even the Secretary of Agriculture, suspected the program would take root as well as it did. We heard from practically every quarter that, since there was such a low acreage allotment, the program would simply fall apart.

As I have previously pointed out, more acres have already been signed up than planned for under the program. As a matter of fact, as I pointed out, the acres that have been signed up will require \$500,000 more money than has been allotted to corn.

In other words, the point I wish to emphasize to my good friend from Colorado is that the program under the 37.3 million acre allotment has been a huge success, in that the farmers have already signed up a sufficient acreage to utilize all the money allotted to corn.

Mr. CARROLL. If the Senator will permit me, I will say that I was under the impression, after listening to the debate yesterday, that from a 43-million acre provision in 1956 the Congress itself had increased the corn acreage allotment to 51 million acres.

Mr. ELLENDER. That was last year. We had that provision in the bill last year.

Mr. CARROLL. Yes.

Mr. ELLENDER. And the corn farmers were given a chance to vote for an allotment of 51 million acres. But they failed to do so. Under the provisions of the legislation, in order to have an allotment of 51 million acres there was required a favorable vote by two-thirds of the number of farmers voting, but only 61 percent voted in favor of it.

Mr. CARROLL. I understand that.

Mr. ELLENDER. So that provision went out the window.

The point I wish to emphasize is that even if the allotment of 51 million acres had been approved, and even if the farmers had voted themselves that allotment, the soil-bank program would not have been any better than the program which has resulted from the 37.3 million acre allotment, because 5,560,000 acres have been offered, which is a sufficient amount to require all the money allotted to corn.

Mr. CARROLL. There is a question bothering the junior Senator from Colorado. There has been action on the 37.3 million acre allotment, and action

by the Congress toward restoring the 51 million acre allotment. As I recall the charts, there was a planting of 56 million acres, some 5 million acres more than set forth by the Congress in the proposed allotment. It seems to me it leaves us in a difficult situation. That is one of the reasons why I am asking the question.

I have not yet made up my mind on how to vote on this bill. It seems to me we must look at the plight of the farmer under the existing law.

Let us assume that the bill fails to pass. Are the farmers' benefits so low that there are insufficient incentives to keep him from planting his crop? He has to live. His income is likely to be lower. His costs are likely to be higher. Since the farmer is seeking a decent subsistence it seems to me it is a basic law of economics that he will continue to plant. He will grow more and more and as he does the Nation will end up with a greater surplus than ever before.

Mr. ELLENDER. It matters not. One million or one and a half million acres of corn taken out of production will not, in my humble judgment, mean much in reducing the corn surplus. In other words, with the maximum amount of money which would be left, over and above the \$217 million already signed up, we could not have taken out of production more than about 1½ million to 2 million acres.

Mr. CARROLL. If I may, I should like to address a question to the senior Senator from Minnesota [Mr. THYE], with the permission of the distinguished Senator from Louisiana.

Yesterday I asked a specific question as to whether or not the incentives contained in the bill will in themselves curb production. I thought that was the basic point of the bill, though not the sole point. Will the incentives in this bill stimulate some compliance on the part of the farmers? Will there be more compliance if the bill is passed or more compliance if we do nothing?

Mr. THYE. Mr. President, will the distinguished Senator from Louisiana permit me to answer?

Mr. ELLENDER. I ask unanimous consent, Mr. President, that the distinguished Senator from Minnesota may answer the question, without my losing my right to the floor.

The PRESIDING OFFICER (Mr. CLARK in the chair). Is there objection? Without objection, it is so ordered.

Mr. THYE. Mr. President, the answer to the question is very simple. At least 15 percent of every acre of cornland that goes under firm contract is bound under a mandatory provision to the soil bank, in an idle stage, for the calendar year 1957. Therefore, for every acre of the fertile land—such as the land in Illinois, Iowa, Indiana, Ohio, and Minnesota—that goes under a firm contract, 15 percent of that productive land will have to lie idle in the soil bank.

That is the secret of the entire corn program. When there is a firm agreement made with the farmer under the soil bank, that percentage of land is taken out of production.

Mr. ELLENDER. Mr. President, if I may, I should like to make a little correction there.

Under the present arrangement all acreage reserve contracts deal with allotted corn acres. In other words, the land must be taken out of the acres the farmer is allotted.

Mr. THYE. The Senator is correct.

Mr. ELLENDER. But under the pending bill the Secretary could permit the farmer to take his 15 percent required soil bank participation from other land and place those acres in the conservation reserve. Of course, the payment to the farmer would have been less, in those circumstances.

Mr. THYE. That is correct.

Mr. ELLENDER. But the required acreage reduction under the provisions of the pending bill is not necessarily to be taken from base acreage. It can be taken from acres planted to hay, or anything else.

Mr. CARROLL. It may be taken from corn acres, too, may it not?

Mr. ELLENDER. Yes.

Mr. CARROLL. That is what I had in mind, when I spoke of incentives.

Mr. ELLENDER. But the point I wish to emphasize to my good friend from Colorado is that when this program was started last year by the Department of Agriculture, they announced the goals, and what they hoped the farmer would contract for. Not only has the mark been reached, but it has been exceeded by 100,000 acres.

Mr. CARROLL. I have only one further question to ask. Considering all of the farm programs of last year, and that contemplated under the corn program, what participation has there been on the part of the farm population?

Mr. ELLENDER. As has been pointed out during debate, last year the compliance, in my judgment, was excellent, notwithstanding the fact that the law was passed very late in the year. Corn growers participated in the acreage reserve program to the extent of 5,315,578 acres.

Mr. CARROLL. What does the compliance, in my judgment, was excellent, centagewise?

Mr. ELLENDER. That figure is not separated, and it would not help very much, because the amount that was signed up by the farmers was about the goal which was proposed by the administration as necessary for an overall reduction.

This year, as I pointed out a while ago, we have on hand almost 1 billion bushels of corn. It strikes me that the way to reduce that surplus is to plant fewer acres. That should be the way we approach the problem, and not by increasing the base. Under the present law, with an allotment of 37.3 million acres, we have already reached the goal set by the Department as being necessary to accomplish a reduction in the production of corn for 1957. That goal has already been accomplished.

I come back to the proposition that to put \$83 million more into that program, and take it away from some other basic commodities which have not reached their goal would simply mean a dip into

the Treasury of \$83 million to accomplish very little, in my judgment.

Mr. CARROLL. It seems to the junior Senator from Colorado that there is a conflict. That is why I put the question. If we did nothing, if we left the allotment at 37.3 million acres, without additional incentives, that fact in itself might stimulate production to the extent that we would have a greater yield than ever. That is the reason I raised the question.

Mr. ELLENDER. Farmers have a knack, as they decrease acreage, of planting the corn a little closer and using more fertilizer. The result is as much production as they had before. The same thing is true of cotton farmers. The same thing is true of Irish potato farmers. Senators will remember that fiasco. It cost the taxpayers almost half a billion dollars. The Senator from Minnesota remembers how much difficulty we had in ending that program.

I go back to the proposition that when the Secretary of Agriculture told the farmers the acreage reserve goal necessary to reduce the present surplus, he set the figure between 4½ and 5½ million acres. We have now exceeded that goal, and have used all the money allotted to corn. I think that is sufficient.

Mr. CARROLL. I thank the distinguished Senator from Louisiana. It seems to me that perhaps under either proposal, whether we leave the allotment as it is or increase it, if the farmers are as astute as the senior Senator from Louisiana suggests, perhaps they will put additional fertilizer in the proper place in either case.

Mr. ELLENDER. We have been advocating many programs to assist farmers. But farmers are human beings, and they will get as much as they possibly can, as much as the traffic will bear, out of any program they go into. It is human nature for them to do so. As I stated a while ago, this tendency to increase per acre production will be a blessing in disguise for us in the next 10 years when our population reaches the figure of 225 million, with fewer acres of land in production than we now have.

Mr. CARROLL. I thank the Senator.

THE FALLACY OF FIXING AN ABOVE THE MARKET
PRICE ON A SURPLUS COMMODITY

Mr. MALONE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MALONE. I have in my hand a Crop Production Bulletin from the United States Department of Agriculture Marketing Service, released on March 18, 1957.

On page 6 there is a statement in confirmation of what the distinguished Senator from Louisiana has just said. I read from the bulletin:

Part of the downtrend in acres is due to uptrend in yields per acre.

I do not see the connection there. There is nothing said about the total number of bushels or hundredweight of corn to be bought, is there?

Mr. ELLENDER. It states the total number produced.

Mr. MALONE. But all we limit is the number of acres.

Mr. ELLENDER. The Senator is correct.

Mr. MALONE. Let me ask the distinguished Senator a question. I know that he has the answer. The Senator from Nevada was raised on a ranch.

The situation affecting productive capacity has not changed very much.

The Senator from Louisiana knows that if we reduce the acreage, as the distinguished Senator has already suggested, the farmer will add a little more fertilizer and tend the crop more efficiently and increase the surplus accordingly.

Mr. ELLENDER. When I came home from World War I, before we had any programs whatever, I entered the farming business. I well remember that back in 1922 I started to grow potatoes in my own area. Growing potatoes in Terrebonne Parish, La., was an unknown quantity. No one had ever grown them commercially in large quantities.

When I started, the average farmer in that area produced about 92 bushels to the acre. They were growing potatoes on a row 5 feet wide. It looked like a big mound.

I began to experiment. I bought a little farm, and in less than 8 years, by using the proper seed and the proper fertilizer, and by reducing the size of the row, I am glad to say that I increased production to 410 bushels per acre.

That is what has been occurring in connection with all crops. When I came to the Senate that was what induced me to seek membership on the Committee on Agriculture and Forestry.

A few months after I came to the Senate, in 1937, Senator Robinson died, and I was very desirous of being appointed to membership on the Committee on Agriculture and Forestry, because of my experience in that line, and my interest in conservation. Ever since that time I have been watching the increase of production per acre by reason of the utilization of more fertilizer, better seed, better drainage, and other factors.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. REVERCOMB. Mr. President, will the Senator yield for a personal observation?

Mr. ELLENDER. I yield.

Mr. REVERCOMB. I can testify from personal experience that the potatoes which the Senator raised were excellent.

Mr. ELLENDER. They were magnificent, I must say, I cannot be modest about those potatoes.

Mr. REVERCOMB. I cannot help but pay my compliments at this time to the Senator from Louisiana. I was one of those fortunate persons who, when rations were low in years past, received some potatoes through the bounty of the Senator from Louisiana. I attest to the fact that they were very excellent potatoes in every respect. I pay my tribute to the Senator from Louisiana as a great leader in the potato-growing industry.

Mr. ELLENDER. I thank my friend from West Virginia. I do not know of

any gift that I have ever made in my life that brought more contentment than the 10 pounds of potatoes I furnished each Senator in 1941, I believe, when potatoes were scarce.

Mr. THYE. Mr. President, will the Senator yield for a personal comment?

Mr. ELLENDER. I yield.

Mr. THYE. The distinguished Senator from Louisiana went into the potato business, but he did not become a successful producer until he went up into the Red River Valley, in the northern region, and obtained his seed stock. By obtaining his seed stock in the North he increased his production.

One of the things we have done in the corn business has been to introduce hybrid seed. Another factor has been the introduction of commercial fertilizer. We have paid the experiment stations of our Nation to find out how to apply it. As a result of the proper selection of seed and the proper application of fertilizer, the entire economy of the Nation has been blessed with an abundant production in the agricultural field.

FEWER ACRES—MORE PRODUCTION

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. MALONE. Do we not come to the conclusion, then, that the limiting of the acreage of the crop has very little connection with limiting the amount produced?

Mr. ELLENDER. Well, of course, we can limit acres in order to limit production. However, in the past, with respect to the goals set by the Department of Agriculture, we have been producing those goals on fewer and fewer acres.

Mr. MALONE. That is correct, with an increased production on less acreage.

Mr. ELLENDER. In other words, production has increased.

Mr. MALONE. My point, however, is—and the distinguished Senator is proving my point—that if we are to limit production we must also limit something besides acres.

Mr. ELLENDER. I am sure of that. I am sure the Senator is correct.

Mr. MALONE. Let me go into another point, which does not directly affect the subject under production. What we are trying to do now, of course, is to limit the amount produced by use of the soil bank. Is that not what the soil bank is intended to be used for?

Mr. ELLENDER. Well, it is to do away with surpluses.

Mr. MALONE. But it not only has not reduced surpluses; it has increased production.

Mr. ELLENDER. We did not do it last year, as I shall point out.

Mr. MALONE. But the record shows that more corn was produced on less acres in 1956 than the average yield of certain prior years.

Mr. ELLENDER. We had a program in action that was supposed to have reduced production, but it did not do it in the case of corn.

Mr. MALONE. Apparently only Congress thought the legislation would work that way.

Mr. ELLENDER. It did not work that way.

Mr. MALONE. If the Senator will yield further on that point, I should like to say that any farm boy could have told Congress exactly what would happen. All that was necessary to be done was to use a little more fertilizer. When I lived on the farm, we did not have the artificial-type fertilizer that is so much in use today. However, our available fertilizer had the same effect. Is it not true that Congress still does not understand what the basic situation is, and is not really tackling the basic problem at all?

Mr. ELLENDER. I would not say that. I would not admit that I have been wrong with respect to some of these programs.

Mr. MALONE. The Senator has not been wrong, because he understands what the basic problem really is.

Mr. ELLENDER. Many of the programs have worked well.

Mr. MALONE. They worked well for the part-time farmer who wants to make some money from farming under price supports, and which aggravates the basic problem.

Mr. ELLENDER. During World War II, we had a great abundance. Ever since that time, it is entirely possible, I may say to my good friend from Nevada, that in trying to carry these programs too long after World War II we got ourselves into the trouble we are now in. I go back to the proposition that encouraging our farmers, even through these subsidies, to produce more on less land will be a blessing in disguise in time to come.

GUARANTEEING PROFIT ON SURPLUS COMMODITY

Mr. MALONE. Is not the real problem the fact that we are guaranteeing a profit on a commodity which is already in surplus. I can understand guaranteeing a profit on an indispensable commodity which is in short supply. More especially the guarantee would be necessary if we were forced to import an indispensable commodity from foreign countries across major oceans.

I should like also to call one further point to the attention of the distinguished Senator from Louisiana which proves the fallacy of guaranteeing a profit on a surplus commodity. I refer to another paragraph on page 6 of "Crop Production," which reads:

If this year's corn acreage should equal that indicated, as if yields approximate the 1951-55 average, by States, production would amount to 2.9 billion bushels, compared with the 1956 crop of 3.5 billion bushels and the 1946-55 average of 3.1 billion bushels.

However, according to the marginal notes, the average of 3.1 billion bushels were produced on 83,942,000 acres according to the 1946-55 average. In the following year of 1956, 3½ billion bushels were produced on 74 million acres.

The record shows that we have not been reaching our announced objective using the methods set up in this legislation.

Mr. ELLENDER. The Senator is correct.

CANNOT FEED THE CORN, BARLEY, AND OILCAKE TO LIVESTOCK AT THE GUARANTEED PRICE

Mr. MALONE. I wish to say one more thing. I am not objecting to the pro-

gram. I have been in the Senate 10 years, listening to all the debate on fixing a profit price on surplus commodities.

I mentioned this particularly in relation to the program that was under discussion on the floor of the Senate a few days ago, namely, relief for the drought and distressed areas in the West.

Many of the cattlemen of the Nation, and most of the feeders, went broke in the last 3 or 4 years by virtue of the fact—at least, it was a large contributing factor—that the price of corn, barley, and oilcake and other feed that is needed to feed the cattle for the market has been held at a price by law which makes the loss to the feeders approximately 50 cents a head per day, even if the livestock makes the usual gains, when sold on the open market.

The cattlemen of the country, especially those of the West, where I live, have always said, and most still contend, that they do not want any support price on cattle.

They hope for the best, and hope that sometime the feed and the cattle will be allowed to reach their own level in accordance with the law of supply and demand.

So far, the Senate and the House have not allowed that law to operate. The only time when they can buy the feed at a price they can afford is when they are placed in a drought or a distressed area, at which time there is a reduction of \$20, or some set sum, a hundred on the price of corn, and that allows them to about break out even. It can be seen that a cattleman must go broke and be placed in a distressed area before he can break even. Apparently it is quite certain that no one can make a living without receiving some Government consideration or support.

There will come an end to this situation some time, and the cattlemen will come in and say, "If you are going to hold the price of barley, corn, and oilcake at a price above that which you can feed it to fatten steers and other livestock, then they will have to have price supports.

That brings us to the fallacy of all such legislation, because it is impossible to stop with one item. It is necessary to go right on, until all the items are taken into the program. Then it blows up and ruins everybody.

Therefore, Mr. President, I thought this was a good time to let the RECORD show what some of us believe that it does not make any difference on what surplus commodity the price is fixed. If the commodity is produced in surplus quantity, the result will be the same. The result will be the same even if it were monkey wrenches. Under that kind of policy, guaranteeing a profit on a surplus commodity, that the surplus will be aggravated.

I understand what the distinguished Senator says about our being glad some day that we have all this surplus production. The Senator must know that the land would be more productive if allowed to rest or the crops rotated rather than to encourage a heavier production. The part-time farmers get into the business largely because of the price supports, and they contribute to the surplus.

DOUBLE PRODUCTION PER ACRE

About 4 years ago it was my privilege to travel through the State of Illinois, to make an address, and I asked to be taken in an automobile through the Corn Belt. I pointed to some corn and asked how much per acre it was producing and was informed that it was producing 140 bushels an acre, which, before price supports, had been producing around 60 bushels per acre. The end is not yet as long as a profit is guaranteed, Mr. President.

I do not see how we in Congress can continue to farm on the floor of the Senate when the policy they are following simply increases the production per acre, whether it be corn or barley or wheat, and the surplus is increased.

Mr. ELLENDER. I wish to say to my good friend from Nevada that there has been a great deal of criticism leveled at the program by the growers of cattle and the growers of commodities who depend on feed, for protecting the feed grower with support prices, and not the cattlemen who use that feed.

The point I am trying to make is that it is impossible to reduce the huge surpluses we now have on hand by increasing the base acreage. Such a program will not work, because we have already reached the amount of the acreage the Secretary has said was necessary in order to reach the goal of reducing the surpluses.

Mr. MALONE. I am not criticizing the distinguished Senator at all; I simply want the RECORD to show what has happened and what probably will continue to happen under the present policy and which is pushing and emphasizing the problem of feeding the corn, barley, and oil cake to livestock which must be sold on the open market.

When it cannot be fed to the livestock at the support price it further contributes to the surplus.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG. I am interested in the comments made by my friend the Senator from Nevada [Mr. MALONE]. I think it is true that the production per acre would have been increased whether there had been price supports or not. The acreage controls on wheat have worked fairly well. Our crop for several years was around 1,250,000,000 bushels under the reduced acreage. But a better solution, and one which it may be necessary to come to, is control by units of production, such as bushels or by hundred-weight, rather than by acreage.

There is a natural advance in agriculture, whereby more is produced per acre whether there are price supports or not.

I shall mention one thing which I believe would hurt the cattlemen, at least in my area, and even Secretary Benson has come to this viewpoint. I believe nothing would do more to destroy the cattle- or hog-raising industry than 10-cent corn. That is what we are trying to get away from in the price support program.

Mr. ELLENDER. I do not think we need to worry any more about 10-cent corn.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CARLSON. I should like to discuss with the chairman of the committee the implementation of the program on the farm, assuming that the bill now under consideration should become law. As I read the report, there has been a sign-up in the corn-producing areas on the basis of 37.3 million acres. Some of the farmers signed up 5 percent of their acreage allotment, some 10 percent, and some 15 percent.

Assuming the new program becomes effective, will the farmers who have signed up 5 percent or 12 percent have to go to 15 percent in order to secure loans?

Mr. ELLENDER. As I have stated, there is nothing in the bill which would prevent the Secretary from canceling everything, if he saw fit to do so, and the producers agreed. I do not say he will do that, because if he attempted to do so, he would certainly be subject to criticism. But it should be remembered that there is absolutely nothing in the bill which would prevent the Secretary from agreeing with producers to cancel what has already been done, because what will happen under the bill is that the corn acreage allotments totaling 37.3 million acres will be wiped out, and a 51 million base acreage will be substituted therefore.

There is an additional gadget in this bill that allows a corn producer to comply with the program and yet not take any acreage out of the 51 million base acreage. The farmer can take an acreage equal to 15 percent of his corn base acreage from other than corn land and place it in the soil bank. Those acres could have been planted in timothy hay or anything else except corn.

I do not say what the Secretary will do, but we tried to ascertain from those who would administer the law how they expected to handle the situation with respect to the present acreage-reserve agreements if the bill were enacted. We were not able to get a definite answer.

The Secretary wrote a letter to the committee stating that the bill was too late for enactment. More than 350,000 farmers have already signed up for the corn-acreage reserve, and the Secretary would have to write to all of them to give them their new base acreage. Whether they would take acreage out of their corn base acreage or out of other acreage to put in the soil bank would be difficult to determine. Making the decision whether to increase his soil-bank participation and comply with this bill and whether to retire corn or other acreage would not be a simple task for the farmer. In addition I do not see how the Secretary of Agriculture could perform the task of getting the required compliance under the bill.

Mr. THYE. Mr. President, will the Senator yield?

Mr. CARLSON. I should like to proceed further on that point.

Mr. ELLENDER. I yield further to the Senator from Kansas.

Mr. CARLSON. I have had some experience in the reopening of soil bank signups. I do not think there could have been any more unfortunate experi-

ence than there was in Kansas in connection with the wheat acreage reserve program last fall. I do not say this critically, but I do not know how the Department could have handled the sign-up more unfairly than it did. I am concerned about the situation facing us under this bill, because of what actually happened in the case of wheat in Kansas.

On a Thursday afternoon the Department of Agriculture sent a telegram to the State committee, advising them that they could notify the county committees that the committees would have 24 hours to allow farmers to increase their sign-up from 50 percent to 100 percent of their wheat acreage allotments. Telegrams were sent to the county committees on Thursday afternoon. Some of the committees received them on Friday forenoon. The sign-up was over at midnight Friday. Some farmers heard of it over the radio and through the press. I think every member of the Kansas delegation shares my feeling that that was one of the most dreadful experiences we have gone through under any farm program. Some farmers had opportunity to place only 50 percent of their allotment in the acreage reserve; others were allowed to put 100 percent of it in. That was an experience I would not want to force on any corn farmer in the Nation.

Mr. ELLENDER. If I understand correctly the letter from the Secretary, in which he tells about the difficulties that will arise because of the proposed increase in allotted acres, the task will be insurmountable. It will be necessary for the Department to communicate with each and every person who signed a soil-bank contract.

In Kansas there has already been a sign-up of 252,575 acres, contrasted with 193,398 acres last year. In order to be fair, and in order to give an opportunity to everyone who has declared that he wants to take part in the new program, the Secretary will have to communicate with every Kansas farmer who has already signed up, so as to ascertain whether or not the farmer wants to increase the amount of soil-bank acreage, then the Secretary will have to make available the same opportunity to other Kansas corn producers who have not signed up for the soil bank. The task will be insurmountable, so far as I can see. The conditions which the Secretary described to the committee will become worse if the bill becomes law.

Mr. CARLSON. Does the Senator from Louisiana have any assurance from the Department of Agriculture that if an individual farmer has already signed up an acreage equal to 5 percent or 10 percent of what his new corn base acreage would be, he will not be forced to increase his soil-bank participation to 15 percent?

Mr. THYE. I should like to refer the Senator to the committee report. That was one question which was asked specifically. The legal counsel of our staff was asked to ascertain the answer from the Department of Agriculture. I read from the bottom of page 4 of the report:

Our proposed soil bank operating procedure in case this bill is passed is as follows:

(a) We would reallocate the available funds from other commodities to corn,

Mr. ELLENDER. Is the Senator reading from the Secretary's letter?

Mr. THYE. Mr. Harker Stanton, the legal counsel of the committee, was requested to ascertain how the Department would operate the proposed program before the report was prepared. I read further from the bottom of page 4:

1. Each farm now under agreement would be offered an opportunity to increase corn acreage in the acreage reserve up to 15 percent of the respective corn base.

2. All other corn farms in the commercial corn area would be allowed to sign agreements for the larger of 5 acres or 15 percent of the farm corn soil-bank base.

Mr. ELLENDER. From what page did the Senator read?

Mr. THYE. I read from the bottom of page 4 and the top of page 5.

Mr. ELLENDER. Is that in the letter contained in the report?

Mr. THYE. Mr. Harker Stanton, the legal counsel of the committee staff, is in the room. This is the information he was directed to obtain before the report was prepared.

Mr. ELLENDER. I understand. Let me read this passage from the letter.

Mr. THYE. I have a copy of it.

Mr. ELLENDER. I understand. On page 4 of the report we find the matter just quoted by the Senator from Minnesota and also the following:

If the acreage which the producer has already placed in the soil bank is not equal to 15 percent of his farm base acreage, he would have to put sufficient additional acreage in either the acreage reserve or the conservation reserve to bring his participation in the soil bank up to 15 percent of his farm base acreage in order to qualify for price support, except that if price support is made available to noncompliers, a producer who does not meet the "15 percent" requirement would be eligible for such support.

Mr. THYE. That is correct.

Mr. HUMPHREY. That is the answer to the Senator's question.

Mr. ELLENDER. Very well.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield for a question.

Mr. HUMPHREY. The point I have in mind is that under existing law, without the enactment of the pending bill, the Department has a right to cancel contracts, if it deems that to be necessary.

Mr. ELLENDER. Oh, no. It has a right to cancel offerings, but not those contracts signed before March 8.

Mr. HUMPHREY. Under existing law the Secretary of Agriculture has the right, in an emergency—

Mr. ELLENDER. Oh, that is different.

Mr. HUMPHREY. Under existing law, in an emergency, he has a right to cancel contracts.

Mr. ELLENDER. Certainly if the producer agreed to it; in case we got into a war or other emergency of that kind, he could cancel all of them, if the producers agreed, as I understand. But that is not what the Senator from Kansas is seeking to ascertain.

Mr. HUMPHREY. The Senator from Kansas is seeking to ascertain whether

the bill in any way will result in the canceling of contracts. Is not that correct?

Mr. CARLSON. That is one point I have in mind.

The second point about which I wish to inquire is whether the bill, if enacted, will require a farmer who has signed up for the soil bank an acreage equal to 5 or 10 percent of what his new base acreage will be, to increase it to 15 percent.

Mr. HUMPHREY. No. First, the bill will not cancel contracts. Second, it would make that requirement. Of course the Secretary has authority to make price support available to noncompliers.

I have before me a letter from Marvin McLain, the Assistant Secretary, dated March 29. His letter was sent in response to some questions I asked. I read from the letter:

On the basis of contracts already signed, if the bill is passed by the Senate—

That is to say, the pending bill—there is no requirement that existing contracts be canceled.

Mr. ELLENDER. The Senator from Minnesota is correct about that. But will there be anything to prevent the Secretary of Agriculture from canceling contracts by mutual consent?

Mr. HUMPHREY. If the Senator from Louisiana wishes to say that the Secretary of Agriculture is so irresponsible that we cannot rely at all on him, then it could be pointed out that no bill would suffice.

Mr. CARLSON. What will be the requirements for the new ones who come into the program?

Mr. HUMPHREY. They will be subject to the same requirements.

Mr. CARLSON. In other words, under the new program, if the bill becomes law, the farmer must sign up an acreage at least equal to 15 percent of his base acreage; is that correct?

Mr. HUMPHREY. Yes.

Mr. HICKENLOOPER. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. HICKENLOOPER. I think without doubt the situation would be as follows: The Secretary could continue with his 37,300,000-acre base if he wished to keep the present contracts. If he wished to enlarge the base to 51 million acres, he would have to require the 15-percent equivalent. But a farmer could continue with the contract he has under the percentage he has put in.

Mr. CARLSON. However, I am referring to the new signers. We want to obtain new signers. We want to have new acreage placed in the soil bank acreage of farmers who have not signed up under the 37.3-million-acre allotment. Are we going to require them to sign up for an acreage equal to a full 15 percent of their new base acreage?

Mr. HUMPHREY. On the basis of their allotments within the full 51-million-acre base; yes.

Mr. CARLSON. That means that in my State there will be corn growers who are signed up for 5 percent or 10 percent of their base acreage while the new ones will have to sign up for 15 percent. Is that correct? I believe I am correct as to that.

Mr. ELLENDER. Those who have already signed up need only sign up for the additional participation needed to qualify for price support. Those who have not signed up at all would now have to sign up for the full 15 percent, if they desired price support.

Mr. HUMPHREY. All of them will have to meet the requirements.

Mr. ELLENDER. They will be entitled to change their contracts to increase their percentage if they wish to. As the Secretary of Agriculture points out in his letter, all will have to be notified. I think the record will show that there were three-hundred-and-forty-odd-thousand farmers who had already signed up; and every one of them will have to be notified of the new program, and will have to be given an opportunity to sign up if he wishes to do so.

Mr. CARLSON. Mr. President, at this point will the Senator from Louisiana yield again?

Mr. ELLENDER. I yield.

Mr. CARLSON. The point just made is the one I have been trying to make. Some of the farmers will comply with their present acreage allotments because they want to qualify for the benefits of price support and in addition have signed agreements to place some of their corn acreage in the soil bank. This soil-bank acreage may amount to only 5 percent of his new corn base acreage. Yet he would be permitted to continue that contract while new signers will be required to sign up at least 15 percent of their base acreage. There will be some difficulty in explaining that situation to the farmers of the Nation.

Mr. ELLENDER. That is one of the points I wish to make, whether the Secretary will find it necessary under the proviso in section 308 (a) of the Agricultural Act of 1956 to make support available to producers who comply with their present allotments but who do not comply with the new requirements of the bill. It is not covered in the letter, but I have discussed it with representatives of the Department since the bill has been reported. That matter will be hard to administer. They will have to go all over this again, and first give an opportunity, as I have said, to all farmers to increase their soil-bank acreage if they so desire. Everyone will have to be notified.

I simply do not know how much time that will take. It will be a very difficult situation.

Mr. President, I have been discussing this matter for more than an hour; and in answering the numerous questions which have been asked, I have practically covered the speech I had intended to make. Of course I have been glad to have the questions asked, and I have been glad to answer them, because in that way the various points have been brought out.

I intended to discuss the very problem the distinguished Senator from Kansas [Mr. CARLSON] has raised.

As I have said, if the charts I have submitted for the RECORD are examined, Senators will find that very few States in which the farmers signed up for acreage reserve in 1956 had signups for less acreage this year. There are only 2 or 3 of them. Iowa is one, and Minnesota is

another—where, under the 37.3 million base, the acres for which the farmers have signed up are less than they were under the 51-million-acre base.

Mr. President, all in all, again I return to the proposition that what the Department had in mind, in proposing the program, was to curtail X number of bushels; and in order to attain that goal throughout the commercial Corn Belt, the Department concluded that from four and one-half million to five and one-half million acres would turn the trick. That has been accomplished under the program which now is being severely criticized by the proponents of the pending bill.

Mr. President, it is true that representatives of the Department of Agriculture appeared before the committee and gave their version of how the program would be administered, even if we increase the acreage. But it would cause a great deal of difficulty to adjust the program under the new conditions which would be created by the bill.

As was pointed out by the distinguished Senator from Kansas [Mr. CARLSON], some farmers will proceed under the program without increasing the acreage placed in the soil bank very much, if at all, whereas other farmers will be compelled to devote an increased percentage of their allotted acres in order to qualify under the provisions of the bill.

Let us bear in mind, Mr. President, as I pointed out awhile ago, that every dollar which has been allotted to the program in the case of corn has already been taken up; and it will be necessary to obtain funds from those available for other commodities, for which the farmers have not signed up to the extent of the funds made available to them by the Department of Agriculture.

Take, for instance, the cotton farmers. It was supposed they would sign up for between 3 and 3½ million acres. I understand just a little more than 2 million acres will be signed up. So there will be quite a few million dollars left over, which will not be used for cotton farmers, which could be transferred to the corn program. If the matter is not handled in that way, that money will go back to the Treasury.

The same situation exists as to wheat. I understand that some money is left over. I do not know exactly what the figures are as of today. We could not obtain them, because the Department had not completed a signup of all the acres offered. As a matter of fact, that has not been done in the case of any commodity up to the present time. Whether or not corn producers will be able to obtain the limit of \$300 million still remains problematical.

Mr. President, I wish to make as part of my remarks, and I ask unanimous consent to do so, the letter from the Secretary of Agriculture addressed to me, under date of March 29, which is part of the report. He points up the difficulty that would arise in the administration of the new program in the event the bill should pass. Whereas the Secretary of Agriculture has not stated whether he is for or against the bill, it is my belief that

he has given the bill the cold shoulder. I do not believe he is for it. That is my personal opinion, although he did not tell me that, but I gathered that impression from reading between the lines, and merely judging from the tenor of the letter. I doubt he is for the program.

I ask unanimous consent that the letter be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, March 29, 1957.
HON. ALLEN J. ELLENDER,
United States Senate.

DEAR SENATOR ELLENDER: At the meeting of the Senate Committee on Agriculture and Forestry on March 21, you requested information as to the current status of the corn acreage reserve program, an interpretation by our Office of General Counsel with respect to the effects of the proposed new corn legislation on soil-bank agreements already signed, and proposed soil-bank operating procedure in case this new corn legislation is approved.

A State-by-State analysis of the current status of the 1957 corn acreage reserve program is contained in the attached table I. This table indicates that as of March 22, 1957, we have firm agreements with about 325,000 farmers covering 4.6 million acres and for which the maximum compensation will be \$171 million.

On March 14, after the adverse action in the House of Representatives with respect to corn legislation, in order to be fair to those farmers who needed a definite decision as to whether we would accept the additional acreage offered, we announced that we would accept "over limit" corn acreage under the soil bank. This had previously been done for all other commodities under the acreage reserve program.

As of March 22, in addition to the firm agreements signed, we have offers covering this "over limit" acreage still in the process of being signed, covering 1.1 million acres and amounting to about \$37 million. It is probable that not all of the offers above the individual farm maximum will ultimately be consummated into firm contracts. Therefore, it is probable that the total costs of the corn program, in the absence of new legislation, will be approximately \$200 million. Thus, it appears that about 5.5 million acres will be signed up in the 1957 acreage reserve program with the present allotment. This compares with our announced goal of 4.5 to 5.5 million acres. Table I shows the sign-up by States.

Under section 105 (c) of the Soil Bank Act the total compensation paid producers for participating in the acreage reserve program with respect to any crop year may not exceed \$750 million, and with respect to corn for any crop year may not exceed \$300 million. Of the former amount the share for corn was \$217.5 million. If \$300 million were used for corn, about \$82.5 million would have to be shifted to corn from unused funds originally allocated by the Department to other commodities. This in turn would make available for corn approximately \$100 million for possible additional sign-up in the 1957 acreage reserve program. Table II (attached) shows the 1957 acreage reserve fund utilization by commodities and the shifts which would have to be made from funds allocated to other commodities to corn.

While under this proposed corn legislation it could be possible for corn producers to place increased acreage in the soil bank, the bill neither would cancel the agreements which have already been signed with producers under the acreage reserve program for the 1957 crop of corn, nor would it give

the producers the right to terminate such agreements. It would leave those agreements in effect except that the amount of corn which the producers could produce and still comply with their agreements would be increased by the difference between their 1957 farm acreage allotments as previously established under the Agricultural Adjustment Act of 1938 and his farm base acreage as determined under this bill (which will be the same as the base acreage of which the producer was notified for purposes of the referendum held December 11, 1956, pursuant to section 308 (b) of the Agricultural Act of 1956).

If the acreage which the producer has already placed in the soil bank is not equal to 15 percent of his farm base acreage, he would have to put sufficient additional acreage in either the acreage reserve or the conservation reserve to bring his participation in the soil bank up to 15 percent of his farm base acreage in order to qualify for price support, except that if price support is made available to noncompliers, a producer who does not meet the "15 percent" requirement would be eligible for such support.

The Secretary would, of course, have authority under other provisions of the Soil Bank Act to consent to the termination of agreements by producers if he found such action to be necessary or desirable in carrying out the provisions of this bill. However, we would not want to cancel existing contracts except in exceptional circumstances.

Our proposed soil bank operating procedure in case this bill is passed is as follows:

(a) We would reallocate the available funds from other commodities to corn.

(b) Available funds would be used for additional corn acreage in the following order of priority:

1. Each farm now under agreement would be offered an opportunity to increase corn acreage in the acreage reserve up to 15 percent of the respective corn base.

2. All other corn farms in the commercial corn area would be allowed to sign agreements for the larger of 5 acres or 15 percent of the farm corn soil-bank base.

3. If it should appear that this would not exhaust available funds an equitable method for additional sign-up would be developed.

(c) Initial allocation of available acreage reserve funds would be made to counties and States in proportion to the number of acres of corn allotment on farms not presently covered by acreage reserve agreements multiplied by the approved compensation rate per acre. Initial allocations would be increased or decreased as necessary to first permit all farmers desiring to do so to enter the 5 acres—15 percent maximum.

It is not expected that many farmers would place acreage in the conservation reserve in order to be eligible for price support. In view of the large sums still unused in the conservation reserve program, no problems of fund allocation are anticipated.

(d) The sign-up would be reopened under the above conditions. The final sign-up date would be 3 weeks after the bill becomes law.

Of course, you recognize that farmers generally have made their 1957 plans on the assumption that there would be no new corn legislation. In view of the delays which have occurred there will be many administrative problems. These will include reopening the sign-up to those who have already signed firm agreements but for whom the amount in the acreage reserve would be less than 15 percent of their acreage base. Then, there would be those producers who want to participate on the basis of their acreage base but who felt that they could not because of the size of their acreage allotments. All farmers who signed firm contracts would have to be officially notified of their new permitted acreage. Of course, some currently signed up may desire to cancel their contracts because of the change

of rules. This may create certain administrative problems.

Sincerely yours,

E. T. BENSON, Secretary.

Mr. ELLENDER. Mr. President, I wish also to have printed in the RECORD as a part of my remarks other letters which were received on the subject. The National Farmers Union is for the bill. They say that, although it is late, they think it will do some good.

The American Farm Bureau Federation sent a letter addressed to me, under date of March 26, 1957, in which they set forth some of the difficulties. They concluded, because of the lateness of the proposed legislation, and, in effect, the administrative difficulties which would ensue, they would be inclined to be against the bill. That letter was dated March 26, 1957, was addressed to me, and was signed by Mr. Frank K. Woolley, legislative counsel.

Another letter was received from the National Grange, dated March 27, addressed to Mr. James M. Kendall, one of the clerks of the committee. In that letter the National Grange indicated it would be for the bill.

Mr. President, I ask unanimous consent to have the three letters to which I have referred printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., March 25, 1957.
HON. ALLEN J. ELLENDER,
Senate Office Building,
Washington, D. C.:

Replying to your request by telephone this afternoon for our reaction to the corn and feed grains bill reported by your committee this morning. We welcome this positive action to improve the corn and feed grain farm income situation in 1957 and later years. While the bill is pitifully short of the comprehensive long-range program that is so badly needed, the committee bill is a major improvement over the existing situation in two important respects: First, it establishes a solid recognition of and basis for later congressional action to enact legislation dealing with the entire feed-grain corn and livestock economic structure from a comprehensive income improvement and supply management basis and second, it provides at least partially for 1957 the type of improvement in the corn situation that a legally sufficient number of corn producers voted their confidence that Congress would enact without permanently destroying the basic status of corn. We hope you will find it possible to support the bill and proposed amendments to further improve it along the lines of our recommendations to your committee on March 4.

JOHN A. BAKER,
Coordinator of Legislative Services,
National Farmers' Union.

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., March 26, 1957.
HON. ALLEN J. ELLENDER,
United States Senate,
Washington, D. C.

DEAR ALLEN: This is in reply to your request for a statement regarding our position at this time concerning corn legislation for 1957.

At our annual meeting last December, the voting delegates went on record favoring the enactment of legislation providing for the type of corn program favored by the large majority of farmers affected. In support of this policy, representatives of the American

Farm Bureau Federation appeared before the House Agriculture Committee and a subcommittee of the Senate Committee on Agriculture and Forestry urging that Congress quickly pass a simple corn bill.

We indicated that the early passage of a simple bill was urgent because plans for spring planting were being made and farmers needed to know as soon as possible what kind of program would be in effect in 1957. These statements were made in January and early February.

The House of Representatives on March 13, 1957, by a record vote of 188 yeas to 217 nays, defeated a simple bill designed to permit corn farmers in 1957 to participate in the kind of program which they prefer. The House Agriculture Committee was split on the issue. Most of the minority members finally supported legislation to give commercial area corn farmers a program in 1957 similar to the options offered farmers in the corn referendum last December which was favored by 61½ percent of the approximately 440,000 farmers voting in the referendum. Most of the majority members insisted that the acreage reserve program of the soil bank must also be opened up to grain sorghums, barley, rye, oats, soybeans, flaxseed, and non-commercial area corn. The House refused to pass any of the various proposals that were offered.

We understand that the Senate Committee on Agriculture and Forestry yesterday on a split vote reported out a bill which would substitute a 51 million acre corn base acreage for the 37.3 million acre national corn allotment.

Since the House has debated the subject this year at considerable length and refused to change the current law, it appears to us that before the Senate acts, it may want to determine whether there is any possibility of action being taken by the House on legislation that would be effective and financially sound in sufficient time to be of any assistance in adjusting production to demand in 1957.

In considering this problem, the experience of last year in connection with passage of the Agricultural Act of 1956 should be added to the attitude shown by the House this year on corn legislation. Last year, soil-bank legislation was passed after most of the corn was planted.

As early as April 5, 1956, the American Farm Bureau Federation pointed out that "It is too late for a soil-bank plan to be of any benefit to farmers this year."

Nevertheless, the group in the House which opposed corn legislation this year were the ones who put through the amendment on May 3, 1956, which forced payments in 1956 on a 51 million acre soil-bank corn base, even though most of the corn area had already been planted, which made it obvious that such payments would not make an appreciable contribution to bringing supplies into balance with demand.

Because the law directed it, \$179 million was paid out under a situation which doomed it from the start to ineffectiveness so far as adjusting production was concerned.

Once again consideration is being given to legislation which will help farmers bring supplies into line with demand. Once again it probably is too late for legislation to be passed that will make any real contribution to lifting the price-depressing surpluses off the backs of farmers.

We understand that about 5½ million acres of cornland have been offered for Government soil-bank contract.

Farmers have made their plans and corn-planting time is practically here. Legislation must run the gantlet of the Senate, the House, and probably conference between the two bodies to iron out differences with the agreement then being reconsidered by the

Senate and the House before being sent to the President for consideration.

This situation suggests questions such as the following: How much will corn farmers reduce plantings below that to which they already have agreed? Will those corn farmers who agreed to stay within their portion of the 37.3 million acres get a windfall payment if the base at this late date is raised to 51 million acres? Will it be fair to corn farmers who were willing to stay within the 37.3 million allotment to allow other farmers to come into the program now? How will the increase be divided between those who have signed up and those who were unwilling to sign up until their share was increased? Two hundred and seventeen million dollars represents the share of the \$750 million total acreage reserve fund available for corn. Close to \$200 million has been signed up for corn at this time. Should funds be shifted from other acreage reserve commodities to obtain a larger sign-up on corn?

We are seriously concerned that legislation at this late date and the time required to put it into effect after enactment would create more ill will among farmers—including corn farmers—and nonfarmers than it would contribute to adjusting the agricultural plant.

The American Farm Bureau Federation has looked upon the soil bank as a means of bringing supplies into balance with demand and not as a device to provide farmers with free crop insurance.

We are working to bring about a healthy market condition by removing market gluts and do not look with favor on payments as an end in themselves.

Since the present corn sign-up is heavily concentrated in areas which have recently been adversely affected by drought, the probability exists that there may be a further buildup of corn surpluses. Even though this is undesirable, legislative action has been so long delayed that it is highly questionable whether legislation now will result in anything but a wasteful expenditure of public funds this year at a time when we should be economizing.

Sincerely yours,

FRANK K. WOOLLEY,
Legislative Counsel.

THE NATIONAL GRANGE,
Washington, D. C., March 27, 1957.

MR. JAMES M. KENDALL,
Committee on Agriculture and Forestry,
United States Senate,
Washington, D. C.

DEAR MR. KENDALL: This is in response to the committee's request for a statement on an original bill favorably reported providing corn base acreages for 1957. As we understand the measure, it would (1) establish a base acreage of 51 million acres for the 1957 corn crop in lieu of existing acreage allotments, (2) increase the 1957 support level for corn outside the commercial corn-producing area from 75 percent to 82½ percent of the commercial corn area level for those complying with acreage limitations, (3) require participation in the acreage reserve for corn or the conservation reserve to the extent of an acreage equal to 15 percent of the corn base acreage as a condition of corn price support, and (4) require a study and report on a feed grain program to become effective in 1958.

As was indicated in our statement submitted in connection with S. 1013 and similar bills relating to corn, we seriously doubt whether the soil bank as it has been devised and implemented will bring about any substantial reduction in the harvest of corn or of feed grains. Basic changes are necessary in the farm program if we are ever going to get production adjustment, wise land use,

expanded markets, and a more equitable return to producers for farm commodities. The present corn proposals appear merely to be efforts to make the best of a bad situation. Under the circumstances, it may be desirable to buy time and hold the line as well as possible against overproduction and inadequate income while important preparatory work is carried on for a more effective approach to our agricultural problems. Temporary expedience or emergency approaches can only be justified if simultaneously efforts are made to correct fundamental shortcomings in our present agricultural programs. Part of our concern about current efforts to bail out the corn program arose from the conviction that the corn proposals, being unrelated to the total feed problem, offered no hope of a real solution. We commend the committee for its recognition of this fact and the requirement that a study and report on a feed grain program be submitted.

In our earlier statement we indicated that we would favor establishing again for 1 year a corn base acreage of 51 million acres and price support to cooperators at a level not less than 75 percent of parity only as a temporary expedient and if provision is made to obtain an adjustment in corn acreage. We, therefore, recommended that a farmer to be eligible for price-support or soil-bank payments under such a program should be required to reduce his corn planting to 15 percent below his base acreage for corn. The action of the committee appears to us to be in general accord with the position taken by the National Grange in its earlier testimony on this subject matter.

Very truly yours,

THE NATIONAL GRANGE,
JOSEPH O. PARKER,
Legislative Counsel.

MR. ELLENDER. Mr. President, I wish to place in the RECORD, and ask unanimous consent that I may do so, the data from which I have been speaking, particularly the crop-production pamphlet dated March 18, 1957, giving the corn-planting intention as to 74.4 million acres. That appears on page 1 of the pamphlet I have in my hand. On the bottom of page 3 appears the forecast for 1957 as to feed or grain crop plantings. It will be noted that a very short corn acreage is to be planted this year in contrast with past years. I presume that is due to the fact that farmers realize the huge surpluses of corn that are now on hand. According to this information, practically on their own volition they will no-doubt decrease their acreage.

THE PRESIDING OFFICER (Mr. CHURCH in the chair). Is there objection to the unanimous-consent request?

There being no objection, the data were ordered to be printed in the RECORD, as follows:

CROP PRODUCTION—PROSPECTIVE PLANTINGS
FOR 1957

Corn plantings may total 74.4 million acres, the smallest in 70 years, or 5 percent less than in 1956 and 11 percent below the 1946-55 average.

Feed grain crop plantings for 1957—Corn, oats, barley, sorghums—will increase very slightly over last year according to March intentions. Corn and oats will show moderate and consistent decreases in most States but these reductions are expected to be offset by striking increases in sorghum in the central and southern Plains and sizable increases in barley which will count largest

in the small-grain areas of the northern Plains and the West.

Corn prospective plantings of 74.4 million acres for 1957 will be the smallest in 70 years, a long stretch dating back to President Cleveland's first term when the Nation had fully 100 million less people to feed. However, this would be only 5 percent less corn acreage than planted last year. This produced the second largest crop of record despite drought losses in the western Corn Belt.

CORN

This year's intended corn acreage, at 74.4 million acres, is a 70-year record low. It is 5 percent below the 1956 total of 78.6 million acres planted and 11 percent smaller than average. All geographic areas except the West show declines ranging from 3 to 7 percent with the expected reduction in the Corn Belt equal to the average change for the Nation. The East North Central States plan a 3-percent decline, while acreage in the West North Central States is expected to be down 7 percent. Corn acreage in the South Atlantic States is expected to decline 5 percent and in the South Central States, 7 percent. The Western States plan an increase of 5 percent, largely on irrigated land. Outside of the latter area, increases are expected in only Massachusetts and Connecticut.

Mr. ELLENDER. Mr. President, I wish to have printed at this point in the RECORD, and I ask unanimous consent that I may do so, a table which I have been using to answer questions, which shows the corn acreage reserve sign-up under firm contracts as of March 29, totalling 5,203,887 acres. The table also gives the number of acres by State, and it shows that the amount of corn acres offered for the acreage reserve as of that same date aggregate 5,560,465 acres.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Acreage reserve for corn

	Firm acreage sign-up as of Mar. 29	Offered as of Mar. 29
Alabama.....	58,775	58,775
Arkansas.....	8,622	8,622
Delaware.....	18,695	19,539
Georgia.....	40,764	43,718
Illinois.....	387,809	415,416
Indiana.....	348,872	364,045
Iowa.....	739,124	813,532
Kansas.....	217,544	252,575

Acreage reserve for corn

	Firm acreage sign-up as of Mar. 29	Offered as of Mar. 29
Kentucky.....	204,429	209,579
Maryland.....	23,518	27,470
Michigan.....	175,722	184,752
Minnesota.....	232,994	249,437
Missouri.....	539,073	563,278
Nebraska.....	1,217,237	1,316,280
New Jersey.....	23,718	23,718
North Carolina.....	82,635	82,635
North Dakota.....	7,788	8,231
Ohio.....	272,624	282,281
Pennsylvania.....	59,198	60,151
South Dakota.....	282,898	308,874
Tennessee.....	99,634	99,984
Virginia.....	15,496	15,496
West Virginia.....	2,004	2,035
Wisconsin.....	44,714	150,042
Total.....	5,203,887	5,560,465

Source: Soil Bank Division, U. S. Department of Agriculture.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I shall yield in a moment.

Mr. HOLLAND. I should like to ask a question about the matter the Senator has just mentioned.

Mr. ELLENDER. I yield.

Mr. HOLLAND. I ask the distinguished Senator if it is not true that the placing of those 5.2 million acres under the corn-acreage reserve, with the possibility of increasing it to 5½ million acres or more, pretty well uses up that portion of the soil bank which is allocated to the commercial corn industry?

Mr. ELLENDER. Not pretty well—it does. That will be shown by the next table I will put in the RECORD. The Senator from Florida anticipated me.

The next table I ask unanimous consent to have printed in the RECORD at this point shows the dollars allocated to the corn-acreage reserve as of March 29, 1957. The total dollars allocated on the basis of firm contracts is \$191,743,917. The revised allocation on the basis of total acres offered, including those which have been signed up and those which are now in the offing, most of which will no doubt be signed up, shows a requirement of \$217,500,000.

I may state to my good friend from Florida that is \$500,000 more than the amount allotted to the corn growers by

the Secretary under date of November 30, when he announced the program.

I ask unanimous consent to have that table printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Dollars allocated on corn acreage reserve as of Mar. 29, 1957

	Total dollars allocated on basis of firm contracts	Revised allocation on basis of total acres offered
Alabama.....	\$1,733,893	\$1,820,000
Arkansas.....	198,442	205,000
Delaware.....	845,155	910,000
Georgia.....	770,616	870,000
Illinois.....	17,774,351	20,150,000
Indiana.....	16,567,433	17,700,000
Iowa.....	32,754,205	38,800,000
Kansas.....	5,744,645	7,180,000
Kentucky.....	7,431,395	8,000,000
Maryland.....	1,041,509	1,230,000
Michigan.....	7,835,132	8,300,000
Minnesota.....	9,104,027	9,900,000
Missouri.....	20,109,929	22,100,000
Nebraska.....	32,457,504	40,000,000
New Jersey.....	1,202,922	1,260,000
North Carolina.....	2,768,205	2,940,000
North Dakota.....	177,905	195,000
Ohio.....	14,055,254	15,000,000
Pennsylvania.....	2,770,465	2,900,000
South Dakota.....	5,735,927	6,680,000
Tennessee.....	3,004,720	3,110,000
Virginia.....	661,518	700,000
West Virginia.....	82,948	90,000
Wisconsin.....	6,915,817	7,460,000
Total.....	191,743,917	217,500,000

Mr. ELLENDER. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point a very interesting table showing the commercial corn area program of last year. It gives in detail the number of bushels produced and the number of acres harvested. It also gives the number of acres taken into the soil bank, which figure I have given on several occasions to the Senate. It also shows the full amount of money paid to the growers who participated in the program. It also indicates, Mr. President, the average payment per acre to the farmers of each State. For instance, the average paid per acre to farmers in the State of Alabama was \$24.86. The highest average was paid in the State of New Jersey, where the payment per acre was \$48.45.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Commercial corn area: 1956 operation

	Commercial corn area, production and acres			1956 soil bank		
	1955	Difference, bushels and acres, 1955-56	1956	Acres in soil bank, 1956	Soil bank payments, 1956	Average payment per acre
Alabama:						
1,000 bushel production.....	12,608	-1,365	11,243	Acres 8,488	Dollars 211,040	Dollars 24.86
Acres.....	330,489	+7,858	338,347			
Arkansas:						
1,000 bushel production.....	3,283	-416	2,867	1,660	24,660	14.85
Acres.....	101,621	+5,035	107,056			
Delaware:						
1,000 bushel production.....	6,120	+3,630	9,750	7,757	345,084	44.49
Acres.....	172,000	-20,000	152,000			
Illinois:						
1,000-bushel production.....	523,992	+74,680	598,672	485,367	23,003,599	47.39
Acres.....	9,366,000	-437,000	8,829,000			
Indiana:						
1,000-bushel production.....	275,408	+20,336	295,744	248,536	11,046,965	44.45
Acres.....	4,921,000	-119,000	4,802,025			
Iowa:						
1,000-bushel production.....	522,200	-521	521,679	1,289,414	54,914,506	42.59
Acres.....	10,799,000	-33,000	10,766,000			

Commercial corn area: 1956 operation—Continued

	Commercial corn area, production and acres			1956 soil bank		
	1955	Difference, bushels and acres, 1955-56	1956	Acres in soil bank, 1956	Soil bank payments, 1956	Average payment per acre
Kentucky:						
1,000-bushel production.....	50,504	+3,511	54,015	Acres 223,272	Dollars 6,548,121	Dollars 29.32
Acres.....	1,263,445	-57,102	1,206,343			
Michigan:						
1,000-bushel production.....	81,895	+7,614	89,509	88,828	3,626,493	40.83
Acres.....	1,742,543	+542	1,743,085			
Minnesota:						
1,000-bushel production.....	271,988	+43,434	315,422	256,214	9,802,301	38.26
Acres.....	5,505,900	-145,207	5,460,693			
Missouri:						
1,000-bushel production.....	148,144	+22,003	170,147	344,926	10,105,592	29.30
Acres.....	3,713,000	-291,657	3,421,343			
Maryland:						
1,000-bushel production.....	16,457	+6,006	22,463	11,668	489,588	41.95
Acres.....	406,160	-32,117	374,043			
Nebraska:						
1,000-bushel production.....	99,551	+9,648	109,199	1,437,371	32,475,555	22.59
Acres.....	6,041,859	-446,950	5,594,909			
North Carolina:						
1,000-bushel production.....	36,829	+6,660	43,489	45,795	1,266,611	27.65
Acres.....	1,107,494	-88,551	1,019,443			
North Dakota:						
1,000-bushel production.....	3,496	-273	3,223	8,951	208,134	23.30
Acres.....	108,000	-5,644	102,356			
New Jersey:						
1,000-bushels production.....	3,778	+4,400	8,178	7,082	343,143	48.45
Acres.....	138,400	-11,921	126,479			
Ohio:						
1,000-bushels production.....	208,267	-4,979	203,288	166,609	8,090,155	49.15
Acres.....	3,480,010	-91,512	3,388,498			
Pennsylvania:						
1,000-bushels production.....	39,744	+9,143	48,887	15,423	639,688	41.48
Acres.....	896,256	-30,332	865,924			
South Dakota:						
1,000-bushels production.....	71,758	+15,232	86,990	342,637	8,838,910	25.80
Acres.....	3,069,800	-99,954	2,969,846			
Tennessee:						
1,000-bushels production.....	18,866	-1,784	17,082	59,127	1,481,948	25.06
Acres.....	536,701	-8,683	528,018			
West Virginia:						
1,000-bushel production.....	846	+223	1,069	302	12,430	41.18
Acres.....	24,750	-2,820	21,930			
Wisconsin:						
1,000-bushel production.....	106,498	+23,949	130,447	68,274	2,902,837	42.51
Acres.....	2,064,672	-4,957	2,059,715			
Virginia:						
1,000-bushel production.....	6,455	+1,487	7,942	3,949	136,693	34.61
Acres.....	181,550	-13,371	168,179			
Kansas:						
1,000-bushel production.....	25,070	-2,854	22,216	193,948	3,150,003	16.24
Acres.....	1,175,200	-134,372	1,040,828			
Total:						
Bushels.....	2,533,757	+239,764,000	2,773,521	5,315,578	179,664,064	33.80
Acres.....	56,878,629		55,086,060			
Difference total for acres.....				(1,792,569)		

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement by the Secretary concerning the soil bank program and goals.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SECRETARY ANNOUNCES UNIT PAYMENT RATES AND GOALS FOR 1957 ACREAGE RESERVE PROGRAMS

Secretary of Agriculture Ezra Taft Benson today announced the base unit rates from which payments under the 1957 acreage reserve programs of the soil bank will be determined for all basic crops except peanuts and extra long staple cotton. He also announced the 1957 acreage reserve goals for these same crops, and the general basis for determining per-acre payment rates.

Commodity:

Corn (bushels):
 1957 unit rate..... \$0.90
 1957 acreage reserve goal.... 4,500,000-
 5,500,000

AVERAGE YIELD AND PAYMENT RATES ANNOUNCED FOR 1957 ACREAGE RESERVE PROGRAMS

Secretary of Agriculture Ezra Taft Benson today announced national average yield figures and dollars-and-cents payment rates per acre which will apply in administration

of the 1957 acreage reserve programs for five basic crops. As announced on November 30, there are no plans to include peanuts or extra long staple cotton in the soil bank acreage reserve next year.

Crop:

Corn (bushels):
 National yield figures..... 47.4
 National base unit rates..... \$0.90
 Approximate national average rate
 per acre..... \$42.66

Mr. ELLENDER. Mr. President, if the program for this year is administered in the same manner as it was administered last year, I am quite certain the goal proposed by the Department will be far exceeded, even under the national allotment of 37.3 million acres.

It strikes me that the corn farmers ought to make every effort to attempt to help themselves by not further aggravating the surpluses which now face them.

Mr. President, farmers of course are human; and it is human nature, as I pointed out before, for them to proceed to obtain the best they can under the circumstances under which they operate their farms. In my humble judgment if the weather is normal, and there are as many as 5.6 million acres taken out of

corn production, we will have much less than the average normal production. It will be just a question of time as to when this crop-reduction program will work.

But, Mr. President, I return to the proposition that we must not do anything here today which will lead the farmer to believe that the soil bank is a proposal to provide them with additional income. The purpose of the soil bank is to reduce surpluses. The way to accomplish that is to pay farmers not to produce.

This is not a program to aid the farmer in obtaining more income from his crops, except by way of higher prices, in the event that less is produced. The whole purpose of the soil-bank proposal is to get the farmers to reduce planted acres—not to plant certain acres—in order not further to aggravate surpluses.

It is contemplated that this program will continue for 2 years after 1957. If the farmers of the Nation will cooperate, and plant their crops in the usual manner, I feel confident that this program will do much good.

However, if, as the proponents of the pending bill now desire, there is a change

in the program, which is now almost consummated with respect to corn, that will aggravate the situation rather than do it any good. The number of acres which will be added to those already signed up will not be sufficient to make an appreciable dent in corn production this year.

I humbly ask, Mr. President, that the Senate reject the bill.

Mr. President, I ask unanimous consent to have printed in the RECORD an explanation of the pending bill, comparing it with other proposals made by the administration and with the House bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This bill insofar as it relates to corn is applicable only to the 1957 crop, and the corn program for 1958 and subsequent years would be governed by the provisions of the Agricultural Adjustment Act of 1938 with respect to acreage allotments, and the Agricultural Act of 1949 with respect to price-support levels. In addition to provisions with respect to the 1957 corn crop, the bill contains provision for a study of an overall feed-grain program which can be made effective with the 1958 crop. The results of this study are to be reported to Congress not later than June 1, 1957.

The first section of the bill establishes a base acreage of 51 million acres for the 1957 crop. This would replace the acreage allotment of 37,288,889 acres which was proclaimed under the provisions of the Agricultural Adjustment Act of 1938, and which would be made ineffective by section 2 (a) of the bill. Substitution by the bill of a base acreage for an acreage allotment brings into play two provisions of the Agricultural Act of 1956 which, by their terms, are effective whenever a base acreage is in effect. One of these is section 308 (a) of the 1956 act, which requires as a condition of eligibility for price support that the producer devote an acreage of cropland equal to 15 percent of the farm-base acreage either to the acreage reserve for corn or the conservation reserve. The other provision which would be made effective by the creation of a base acreage is section 308 (d) (2) of the 1956 act, which increases the level of price support for corn produced outside the commercial corn-producing area to 82½ percent of the level of price support for corn in the commercial corn-producing area to producers complying with acreage limitations. The level of support now provided by law for such producers in the non-commercial area is 75 percent of the level available to cooperating producers in the commercial area.

Section 2 (b) of the bill would repeal sections 308 (b) and (c) of the Agricultural Act of 1956, which relate to the referendum held in December 1956, and no longer have any effect.

Section 2 (c) of the bill repeals section 308 (d) (3) of the Agricultural Act of 1956 insofar as it relates to corn in the noncommercial area. Section 308 (d) (3) provides for support of the 1957 crop of feed grains, including corn produced outside the commercial area, at not less than 70 percent of parity if the Secretary of Agriculture should elect to make price support available for the 1957 crop of corn in the commercial area to producers not complying with acreage limitations. The present price-support level for corn outside the commercial area is about \$1.02 per bushel. By making section 308 (d) (2) of the 1956 act effective, the bill would raise this support to about \$1.12 per bushel. By repealing section 308 (d) (3) of the 1956 act insofar as it relates to corn outside the commercial area, the bill prevents the price-support level outside the commercial area

from rising to \$1.27 per bushel if the Secretary elects to make price support available to producers in the commercial area not complying with acreage limitations.

DIFFERENCES BETWEEN S. 1771 AND THE PROPOSAL REJECTED BY THE CORN PRODUCERS

S. 1771 differs from the proposal rejected by corn producers last December in the following respects:

First, S. 1771 is applicable only to the 1957 crop, while the rejected proposal provided permanent changes from existing law.

Second, the bill leaves the price-support level for corn in the commercial area subject to the provisions of section 101 of the Agricultural Act of 1949. Since the Secretary has announced a level of \$1.36 for 1957, the 1957 support level will not be less than \$1.36. The rejected proposal would have required a permanent departure from the provision of the Agricultural Act of 1949; and the price-support level would have been fixed at the Secretary's discretion. Prior to the referendum he announced a 1957 support level of \$1.31, and that would have been the level for 1957.

Third, the bill provides for a base acreage of 51 million acres for 1957. Acreage allotments for 1958 and subsequent years would be determined under the provisions of the Agricultural Adjustment Act of 1938. Under the rejected proposal, a base acreage of 51 million acres would have been effective whenever an acreage reserve program was in effect, and authority for such programs extends only through 1959. The rejected proposal provided for a permanent departure from the acreage allotment provisions of the Agricultural Adjustment Act of 1938. Therefore, if the rejected proposal had been adopted, (1) there would have been no acreage limitations after 1959, and (2) the 51-million-acre base acreage would have been effective in 1958 and 1959 only if an acreage reserve program was in effect in those years.

Fourth, no change would have been made in section 308 (d) (3) of the Agricultural Act of 1956 by reason of adoption of the rejected proposal (if that proposal had been adopted instead of rejected) and therefore the 1957 price-support level in the noncommercial area would have been required to be increased to 70 percent of parity or about \$1.27 if price support were made available to noncompliers in the noncommercial area. The bill now under consideration would amend that provision so that the support level in the noncommercial area would remain at 82½ percent of the commercial area level, or about \$1.12.

Fifth, the bill provides for a study and development of an overall feed program.

DIFFERENCES BETWEEN S. 1771 AND THE ADMINISTRATION PROPOSAL WHICH IS CONTAINED IN S. 1013

The bill now under consideration differs from the administration proposal, which was recommended to the Committee by the Secretary of Agriculture and embodied in S. 1013 in the following respects:

First, as I have said before, S. 1771 is applicable only to the 1957 crop. S. 1013, like the proposal rejected by producers, would have required permanent departure from the existing provisions of law dealing with acreage allotments and price-support levels.

Second, instead of providing for price support between 75 and 90 percent of parity, as would be the situation under the existing law and the pending bill, the administration proposal would have provided for supports at between 70 and 90 percent of parity whenever an acreage reserve program is in effect (which could only be for the current year and for the next 2 years) and for price support at the discretion of the Secretary thereafter.

Third, instead of returning to acreage allotments in 1958, as would be the case under the existing law and the pending bill, the

administration proposal would have continued a base acreage of 51 million acres in effect for 1958 and 1959, if there were acreage reserve programs in those years, and would abandon acreage allotments or any other form of acreage control after 1959.

Fourth, instead of repealing section 303 (d) (3) of the Agricultural Act of 1956, insofar as it relates to corn, the administration proposal would leave that provision unchanged so that support in the noncommercial area would have to be raised to about \$1.27 in 1957 if price supports should be made available to noncompliers in the commercial area.

Fifth, the administration proposal would not provide for the study of an overall feed grain program as does the pending bill.

DIFFERENCES BETWEEN S. 1771 AND THE HARRISON AMENDMENT TO H. R. 4901

The pending bill also differs very sharply from the Harrison amendment to H. R. 4901, which was adopted by the House of Representatives before it rejected H. R. 4901. Both the pending bill and the Harrison amendment would be applicable only to the 1957 corn crop. That is the principal resemblance between the bills. The differences are as follows:

First, the pending bill would provide price support at not less than \$1.36 per bushel for farmers complying with a 51 million acre base acreage. The Harrison amendment would have provided price support in such case at only \$1.31.

Second, the pending bill would provide no price support for producers complying with the 37.3 million acreage allotment unless they also complied with the soil bank participation provision of section 308 (a) of the Agricultural Act of 1956 or unless the Secretary sees fit to provide price support for them under the proviso of section 308 (a) as noncompliers. The Harrison amendment would have required price support for such producers at \$1.36 per bushel.

Third, instead of repealing section 308 (d) (3) of the 1956 act insofar as it relates to corn outside the commercial area, as provided in the pending bill, the Harrison amendment would have left such provision in effect and thereby required 1957 price support levels in the commercial area to be raised to 70 percent of parity if price support is to be made available to noncompliers in the commercial area.

Fourth, the Harrison amendment did not provide for a study of the overall feed program as provided by the pending bill.

Fifth, the Harrison amendment also contained a provision added by the amendment offered by Congressman Reuss limiting payments under the Soil Bank Act to \$5,000 for any participant for any year.

Mr. HOLLAND. Mr. President, I wish to ask the chairman of the committee a question. Was not the proposal under the present law submitted to the producers of corn in the commercial areas, and did they not fail to vote for what would have been substantially the provisions of this bill, since there was not a favorable vote of two-thirds of the number voting, as was required under the 1956 act?

Mr. ELLENDER. The Senator is correct. Of course, there was a little difference.

Mr. HOLLAND. Is it not true, likewise, that a very small number of the farmers who were affected took the trouble to vote?

Mr. ELLENDER. That is true.

Mr. HOLLAND. Is it not correct to state that under our allotment programs in general, under the price sup-

port program, and also under the marketing agreement and marketing order laws, which have been upheld by the courts, the principle of having two-thirds of the producers vote approval of a program before it shall be binding on the entire industry is a well settled policy?

Mr. ELLENDER. It has not only been well settled, but it has been adhered to by all those producing our basic commodities, with the exception of those producing corn.

Mr. HOLLAND. Mr. President, I should like to ask one more question. If this proposed legislation is passed, will it not, in effect, represent a contradiction of the regulations which have been prescribed for the administration of the price support legislation, as well as for the placing in effect of marketing agreement legislation, and the like? Will it not be a decision that in spite of the fact that the required number of farmers did not vote in favor of this program, under our uniform practice, the Congress is taking the responsibility unto itself and giving the farmers the program, whether they wish to have it or not?

Mr. ELLENDER. I pointed that out in my opening statement, Mr. President. Of course, I am in full agreement with what the Senator states.

Mr. HOLLAND. Mr. President, I regret that I was not able to be here throughout the statement of the distinguished chairman of the committee. As the Senator from Louisiana knows, I was conducting a hearing before a subcommittee of the Committee on Appropriations and was unable to be present.

Mr. ELLENDER. I should have been at the committee meeting also.

Mr. HOLLAND. I simply wish to say, briefly, that it seems to me that if we pass this bill, we will be reversing the process of permitting two-thirds of the farmers to say what should be binding on them. We will be saying, if we pass this bill, that in spite of the fact that less than two-thirds of the farmers voted in favor of the program we are going to put it into effect anyway; thus departing, I think, from the soundest democratic feature in our whole agricultural system of laws for price control, marketing agreements, and the like. I therefore hope that this bill will not pass.

Mr. THYE. Mr. President, the farm problem has been with us for quite a number of years, and it results mainly from the fact that we are producing more than we have the ability to either consume domestically or export to foreign nations. Therefore, we have endeavored from year to year to curtail certain acreage.

We have placed an acreage allotment on cotton, wheat, corn, peanuts and rice, but we have never provided any method to prevent the diverting of acres from wheat, cotton, or corn to use in the production of some other type of crop. So the net result has been that oftentimes we have curtailed the use of a certain percentage of our land which was normally planted to cotton, but instead of the land lying idle it has been used either to produce a feed crop or an oil crop, such as soybeans. Oftentimes we

have curtailed the use of a certain percentage of our wheat acreage in the extreme Southwest or in the Northwest, but the acres have not lain idle. They have produced feed in the Southwest, such as the sorghum grains, and they have produced feed grains in the Northwest, such as barley, rye, oats, or whatever other crop might have been planted.

The net result has been that when we have finished the year and the harvest has been completed, we have found that more grain has been harvested than there is a market for or is needed in the feed lots.

The problem multiplied from year to year. Then we conceived the idea of the soil bank. It was the first realistic, sound approach to the problem of first, reducing production, and second, curtailing the depletion of our soils. Of course, when we curtail the depletion of the soil we build its fertility. That was the principle embodied in the philosophy of the soil bank last year. Unfortunately that legislation was passed too late in the season to be really effective in controlling production. Considering the late date of enactment of the law, however, we experienced a better result than we had hoped for.

Then, as we approached this year's signup date, under the curtailed commercial corn acreage of 37,288,889 acres in the commercial corn acreage allotment, I began to check with the various State officers throughout the commercial corn area, as well as some specific county officers. I learned that only a very small percentage of the corn producers in the corn area were going to participate in the program, because they could not afford to curtail their farm operations while complying with the small acreage allotment of 37 million plus.

Learning that they were not going to comply, I knew that our soil bank was in jeopardy, so the Senator from Indiana [Mr. CAPEHART] and I introduced S. 1449 on March 2. I had discussed this question with him previous to that date. I said to the Senator from Indiana, "You represent a corn-producing State, as I do. With the present small acreage allotment, our farmers will not comply in sufficient numbers; and without compliance we again delay the real achievement of the soil bank."

The bill which we introduced was referred to the Senate Committee on Agriculture and Forestry. Other bills were then pending in committee. It was unfortunate that the committee had not scheduled hearings at an earlier date, so that we could have obtained action, reported a bill and brought it to the floor and debated it much earlier than the 10th of April.

Nevertheless, this is the 10 of April; and we still can achieve much under the terms of the pending bill. Disregarding all that has been said about the lateness of the season, I still contend that we can get a large percentage of corn acres into the soil bank under this program if we enact the pending legislation. That is the reason I am endeavoring to convince my colleagues that we should pass the bill this afternoon.

If we fail to get a certain percentage of the farms in the 6 big corn-producing States into the program, we shall continue producing feed in excess of our needs or our ability to sell abroad. If we produce too much cheap feed, we then increase livestock production.

The first case would be poultry, because poultry involves a relatively short period of time from the time a farmer makes plans to buy his baby chicks until the flock is in production.

The next immediate step-up would be in the production of milk. If we increase the high protein feeds in the daily ration, dairy production will increase. In the event feeds are cheap, the farmer will feed all summer on concentrates, and the production of milk will be sustained, notwithstanding the heat of the summer and the fly season.

Another threat to our dairy industry would result. We have just succeeded in working ourselves out from under huge surpluses of dairy products, but today the farmer is not being compensated for milk in the manner in which he should be compensated, considering what he must pay not only in taxes on his real estate, but also in the cost of the equipment he must have to operate his farm unit. In the Minneapolis-St. Paul market, Grade A manufacturing milk brings the farmer \$3.14, out of which he must pay delivery costs on that milk.

With respect to fluid milk going into the Twin Cities, the farmer received \$3.60 during February for grade AA fluid milk for direct consumption. In addition, he has a zone charge and a trucking fee to deduct from the \$3.60. He cannot withstand any greater reduction.

On the current market eggs are about 23 cents a dozen in the midwestern part of the United States. That is what the farmer receives for large grade A eggs. If they are of medium size, the price to the farmer is approximately 22 cents a dozen for clean eggs, without a check in them. If they are graded as checks, they probably bring 19 cents a dozen. If there is an abundance of feed, we add to the problems of increased production of both eggs and dairy products.

The next aspect of the question is concerned with pork, which involves another relatively short cycle. Already there is an indication that there will be an increase in the number of pigs for the 1957 fall crop, because more sows are being retained on farms for breeding purposes. Cheap corn resulting from overproduction will contribute to overproduction in the hog industry.

So the question before us is: Can we enact some legislation which will encourage producers in the six big corn-producing States to come into the program?

A great deal has been said about the signup in the program as of today. It is true that the signup is higher than had been anticipated, but the signup has occurred mainly in the fringe areas of the big corn producing sections of the Nation. As of March 8, the first signup, there were 4,473,024 acres signed up in the soil bank throughout the Nation. However, of that big signup as of March 8, Illinois had only 5.8 percent of its corn acreage in firm contract, or signed up

under the soil-bank provision. Iowa, another big producing State, had 8.7 percent; Indiana, another high corn producing State, had 11 percent; Ohio, 11.3 percent, and Minnesota, 5.7 percent.

Missouri, unfortunately, had been in the drought area and crop prospects for the future were uncertain. Certainly the crop had been affected in the drought of 1956. Missouri signed up 19.2 percent. Nebraska, another State where farmers were unfortunately caught in the disastrous drought in 1956, signed up 25 percent.

When the Secretary of Agriculture announced that he would accept offerings for an increase in the signup beyond the amount permissible under the act, there was an additional offering. The acreage offered nationwide finally totaled, as of March 29, when I received the figures, 5,560,465 acres.

When we begin to analyze which States took advantage of the additional offerings in connection with the soil bank, we find that Nebraska signed up 99,043 acres in excess of the 30 percent. Again, Nebraska was not certain about the crop conditions in the calendar year 1957, because the subsoil still lacked moisture. The same thing was true in Missouri.

There was no major signup in the big corn States of Wisconsin, Illinois, Iowa, Minnesota, Indiana, and Ohio. Therefore, it is necessary for us to make it possible, by raising the acreage allotment in the commercial corn area from 37 million to 51 million acres, for the producers of corn in those six States to come into the program.

If we examine the corn-production record further, we find that Iowa had an average yield per acre in 1956 of 51 bushels; Illinois, 68 bushels; Indiana, 62; Ohio, 60; Wisconsin, 61; Minnesota, 57½. That is an average of 59.3 bushels to the acre in those large commercial corn-producing States for the 1956 crop year.

However, if we examine the record for all States we find that there were some, because of drought conditions and other factors, which did not have such a favorable State average. Some of the States had an average of 22 bushels to the acre. The average corn yield for the Nation outside the 6 States was 33 bushels per acre in 1956. This indicates that State averages are low for nearly all States outside the six largest corn producers. Therefore it is evident that we are not going to effect a real reduction in the potential feed production for the calendar year 1957.

If we examine the record further—and this has been stated earlier in the day—we find that over a 10-year period, from 1946 to 1955, we had an average annual corn planting of 83,942,000 acres. In the calendar year 1956, we had only 74,410,000 acres, which is practically 10 million fewer acres.

However, on the fewer acres we produced more corn, because the average yield has increased during that 10-year period. The annual average from 1946 to 1955 was 3,100,000,000 bushels, on 83,942,000 acres. In 1956, 3,500,000,000 bushels were produced on 74,410,000 acres.

The entire question comes down to this: Either we enact this bill and permit the corn farmers in the six big corn producing States to come into the program—and they will come in under the 51 million acreage proposal—or they will stay outside the program. They are not in it now, and they cannot come into it unless we pass the appropriate legislation. If they do not come into the program, the 1957 production of feed grains will be so high, if we have the normal average crop, that our feed supplies will be so excessive that the entire livestock production will be in jeopardy. In the face of such large increases, prices will break. We have had difficulties in our farm economy in the past, and right now grain commodities are in major surplus. However, if we allow our surplus to be in dairy products and pork, the market will break and the products on hand will be perishable. They are not as readily storable as are corn or wheat or cotton.

Therefore, I can only urge that my colleagues very carefully consider this question now before us. There is still ample time to do something to meet the situation. The farmer is waiting for us to act. He knows what he wants to do. If we increase the acreage from 37 million to 51 million he will not be long in calling on his county committee and saying, "What will be my corn acreage allotment under the new figure?"

As soon as the county committee members become familiar with the legislation we enact, they will have figured it out and will be ready to advise the farmer. The township man who goes out and actually discusses the problem with the farmer will advise him what his plantings should be under the act. The entire program can be airborne, so to speak, and put into effect in a matter of a few days after the President signs the bill.

The corn-planting season has not commenced, and will not commence in the northern parts of the commercial in Minnesota, Wisconsin, Illinois, and Iowa until the first week of May. Oftentimes planting does not begin until the 20th or 25th of May.

We need not have any fear that it is too late in the season to have the act apply effectively in the heavy producing States in the commercial corn area, where there is production per acre which otherwise will threaten an overproduction of all feed supplies in the Nation.

I urge all my colleagues to study this legislation very carefully. We owe it to our farmers to give them the opportunity to participate in the soil bank and to insure effectiveness of the program.

Mr. MUNDT. Mr. President, I should like to take up the cudgels where my good friend from Minnesota has just left them, and to urge my colleagues not only to think this matter over very carefully, but to arrive at an affirmative position and to support this very meritorious piece of legislation, which is designed to help tremendously an important segment of American agriculture.

There is no question whatever that if the Senate acts today, as I hope it will,

and if it acts affirmatively, as I hope it will, this bill can go to the House of Representatives in ample time for the House leadership to bring it to the floor for affirmative action before the Easter recess. If that is done, it will be ample time for the benefits to be shared by the corn farmers in the commercial corn areas of the United States.

Mr. President, I have conferred with a number of members of the Committee on Agriculture and Forestry of the House of Representatives, with which our Committee on Agriculture and Forestry has worked in close conjunction on agricultural legislation. I have reason to believe that the unhappy partisanship, which contributed so much to the defeat of proposed corn legislation when it was considered on the floor of the House some weeks ago, has been replaced now by a desire on the part of all hands in the House to do something constructive for the corn farmers of America.

The bill, if enacted into law, will provide them with that opportunity. I hope they will act expeditiously.

There is not much additional that needs to be said, Mr. President, because the bill has been adequately discussed. It is not complicated. It is not something novel or new. I certainly do not wish to contribute to any delay. I say that because I believe we should try to wind up debate on the bill so that we can vote on it today.

It is a very simple bill in its inception. It grows out of committee action whereby a number of us on the Committee on Agriculture and Forestry took the various bills which were then before us and tried to reduce them to the bare essential provisions required to give the American corn farmer a fair break under existing agricultural legislation.

I happen to be one of those who early in the session introduced a specific bill to meet the problem. My bill was S. 1076. It differed in details from some of the other bills which were before the committee, but to my mind that bill and all the other bills before us moved in the direction in which we now find ourselves moving with the bill now being considered, namely, S. 1771, which was introduced by the junior Senator from Minnesota [Mr. HUMPHREY], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Missouri [Mr. SYMINGTON], the senior Senator from Minnesota [Mr. THYE], and myself, all of us members of the Committee on Agriculture and Forestry. All of us agreed, after the hearings had been held and the problems had been carefully canvassed and analyzed, that this was the best bill which could be offered under the circumstances, due to the lateness of the time. We felt it was good enough to be of genuine assistance to the American corn farmer, who finds himself in a serious position as the result of the outcome of the corn referendum last fall. Many farmers have written me that they now regret their adverse votes on that occasion.

The bill provides for a 51-million corn-acre base, to which the farmer is entitled. It provides him with the proper type of price support, to enable him to enjoy the benefits of the soil bank, with

a base sufficiently large so that he can adjust his farm operations to his agricultural practices.

For some strange reason, the idea has got abroad that this is an area bill or a special farm bill for the benefit of one phase of agriculture alone. It is no more a special area or a special product bill than is any other phase of an agricultural bill which has sections or paragraphs dealing with wheat, cotton, tobacco, rice, and sugar, each of which has to be coped with in accordance with its own specific problems.

I am sorry the Senator from Florida [Mr. HOLLAND] has left the Chamber because he seemed to indicate that he might be in opposition to the bill. He himself comes from a great State which is a direct beneficiary of the same kind of legislation, dealing with specific problems, as the bill dealing with corn. Florida happens to be a citrus fruit-raising State. For citrus fruit there is a section 32 program which is highly beneficial to that industry. I have supported it, and other members of the Committee on Agriculture and Forestry have supported it. But it meets the specific problem with a specific plan, just as the bill now under consideration proposes to meet the urgent problem which confronts corn growers.

The bill proposes a program which is tailored to meet the needs of the corn farmers in the commercial and noncommercial areas. Actually, the bill proposes to do what is required to place corn, as a basic commodity, on the same footing as the other basic crops. It retains and continues corn as a basic crop, as it should be. But from the very beginning of the Agricultural Act of 1938, as it has been amended and changed from time to time, though it is still the basis of our present agricultural program, the commercial-corn area has not been determined, as have the commercial areas and the minimum acreages of other crops which are basics. Except for 1956, corn has had to struggle along with a discriminatory formula. In the 1956 crop year, it was possible to establish the minimum basic acreage of 51 million. The minimum acreage allotment for wheat is actually 55 million. For cotton, it is 17.5 million.

If the corn formula were applied in the same way to wheat and cotton—and I am not recommending that it should be—we would find that the national wheat acreage allotment would be only 12.4 million acres, with 3.9 million acres allotted to cotton. We are not advocating such allotments, but we are advocating that the program be adjusted so that corn will find its rightful place among the basic crops of the country. Therefore, we have provided in the bill a basic acreage limit of 51 million acres, thus moving in the right direction.

Mr. President, I ask unanimous consent, in reinforcement of my argument, to have printed at this point in the RECORD a table prepared by the Department of Agriculture, showing the acreage allotment for 1957.

The table shows the commodity, the actual allotment, the allotment as it would be in the absence of a minimum

allotment, and the relationship of the actual allotment to the allotment presently provided.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Acreage allotments, 1957

Commodity	Actual allotment ¹	Allotment as it would be in the absence of a minimum allotment	Relationship of actual allotment to allotment in col. 3
1	2	3	4
	<i>Million acres</i>	<i>Million acres</i>	<i>Percent</i>
Wheat.....	55.0	12.4	444
Cotton.....	17.6	3.9	451
Corn.....	51.0	37.3	137

¹ In the case of corn this represents the proposed allotment.

Mr. MUNDT. Mr. President, I hope our friends from the South, with whom we cooperate on their problems related to tobacco, peanuts, rice, and cotton, will now cooperate with us from the corn belt, and will give us the same equitable consideration and treatment which we have always felt they were entitled to receive with respect to southern crops. Legislation supporting that goal has been backed by Senators from the farming areas of the North. I think it is important that we retain the identity of interest among the farmers of the Nation, whether they grow peanuts or corn, cotton or corn, citrus fruit or corn. I hope the South will not desert us now.

The bill provides, as of now, the kind of program which is required to protect the corn farmer against what otherwise would be a discriminatory situation. Incidentally, it is a discriminatory situation which, if it continues to prevail, will be injurious not alone to the corn belt, because corn is a crop which, in the main, is sold on the hoof; it is sold in the form of livestock.

If the acreage allotments remain as low as they presently are for the 37-million-acre area, there will be an overabundance of corn. A superabundance of corn, a new surplus of corn, will mean a new abundance of cheap feed. That, in turn, will cause a new abundance of livestock, and will depress the present livestock market. The condition will ramify throughout the whole livestock and dairying industry. The injurious effects of too much corn at too cheap a price in the market place will not be felt alone in the corn areas, but will be felt in the South and throughout the rest of America, wherever cows are milked or meat is sold.

I call attention to the fact that this bill is of interest to the national economy and the national agricultural picture, in order to keep the entire agricultural economy in balance.

Together with other Senators who have spoken in favor of the bill, I hope the bill will receive today the overwhelming affirmative vote to which it is entitled.

Mr. AIKEN. Mr. President, I find myself in the rather peculiar position of not being able to vote for a bill which

I favored up to a short time ago—say, a month ago. I think that had the bill which is now before the Senate been enacted 5 or 6 weeks ago, it would have done much good, not only in the Corn Belt, but throughout the country.

I compliment the Senators from the Corn Belt who have worked hard to make the conditions such that agriculture in that great region would have better prospects than possibly it has at present, although I am not willing to concede that their prospects are not very good.

I am not one of those who believe that the proposed legislation would give corn an unfair advantage over any other commodity. I believe the 51-million-acre base is a rather modest acreage for the commercial corn area. I believe that the provision in the bill adjusting the support price for corn in the noncommercial area is very fair, and the support price in the commercial area, which would be left as it is now, would be an adequate guaranty without unduly encouraging overproduction.

So I say to the people of the corn States that their representatives in Congress have done well. They have carried the fight for them, I would say, beyond the point of no return, or beyond the point where winning the fight would have some very definite advantages.

The proposed legislation is now too late to be effective. I think it is too late, even, to be fair. If the bill is passed today by the Senate—I do not know whether anyone has yet checked on the possibility of that situation—but if the bill passed the Senate today and the House suspended its rule and considered the bill as soon as it was received from the Senate, and if the House were, in that connection, to have a night session, during which it passed the bill, the President might sign it the first of next week. Then the program under the bill might be put into effect 3 weeks later because it would take 3 weeks to complete the new signup of those who would desire to participate in the revised program.

As has been stated, nearly 325,000 corn farmers have already signed up to reduce their plantings of corn, based on their share of the national allotment of 37.3 million acres. If the bill is enacted, it will be necessary to transfer to the corn acreage reserve funds allocated to other crops which have not been used. Possibly that would provide enough funds for corn farmers to place an additional 2 million to 2,225,000 acres in the soil bank.

The question then arises, who would get to place the additional 2 million acres in the soil bank? Three hundred and twenty-five thousand contracts, covering probably, by now, approximately 5,200,000 acres, have already been agreed to. The Secretary has correctly pointed out that all those contracts would have to be reopened at once, because under the provisions of the bill, each corn grower would have to put into the soil bank an amount of cropland equal to 15 percent of his new corn base acreage, allocated under the new national base of 51 million acres. Someone would have to do a great deal of calculating in that connection. How

many more acres in the soil bank this bill would result in, no one knows.

Some of those who have already signed up, have signed up for far more than what 15 percent of their base acreage would be. I assume that there are many who have not signed up for 15 percent. So out of the two-million-odd acres which would be eligible for further sign-ups, we would have to take those necessary to bring all existing contracts up to an amount equal to 15 percent of the applicable base acreage. How much that would leave for those who have not already entered soil-bank contracts with the Government, no one knows. Certainly there would be complications in that connection.

As I have said, if the bill were to become law by next Monday, it would still be 3 weeks before the new sign-up could be effected. However, the prospects are against the bill's becoming law by next Monday. If the bill should not become law for another week, it might be May 5 or May 15 before the program could become effective, and that is assuming that the bill would be passed quickly by the House and would pass rapidly across the President's desk.

This year the producers of the basic commodities who sign up for the acreage reserve are required to sign before planting time. Unfortunately, a good deal of the corn—for instance, in the case of the southern half of the country—will have been planted before the bill could become effective. In my opinion those farmers would be pretty much left out of the program. I am not sure that they would like that. I have noticed at times that some of our friends south of the Mason-Dixon line have not been very happy at any suggestion that their States be left out of a program. So that would be one of the difficulties.

Another thing to be pointed out is that the signups to date—325,000 contracts embracing 5.2 million acres—are for acres to be taken out of corn production. Under the pending bill, the acreage which might be added to the soil bank, need not necessarily be taken out of corn production; it might come out of the acreage for oats or for alfalfa or for grass or for some other crop, and might go into the conservation reserve. Those who sign up for the soil bank from now on would be required to retire an acreage at least equal to 15 percent of their corn base acreage, but it would not necessarily come out of corn acreage. Those who already have signed up to take their reduction out of the corn crop might not be too happy to have others come in and have 1 million or 2 million acres taken out of some other cropland.

Mr. CARLSON. Mr. President, at this point will the Senator from Vermont yield to me?

Mr. AIKEN. I yield.

Mr. CARLSON. The Senator from Vermont has mentioned other crops which might be taken out of production. I noticed that the Senator from Vermont did not mention wheat. I should like to call attention to the great increase in the number of wheat growers in the corn-producing States. It is amazing what is happening to the move-

ment of wheat production from the area west of the Mississippi River to the area east of it. Last year, 1956—and the figures I have come from the Department of Agriculture—there were 10,006 new wheat growers in the State of Illinois; 6,308 in Indiana; and 3,867 in Ohio. I mention these figures because they show a problem we shall have to meet. It is one of the problems which I think is a result of a farm program which makes it easy and sometimes necessary to produce crops in unnatural areas. At the present time, the production of wheat is being moved east across the Mississippi River. I think all of us will agree that the production of corn is being moved into the South. The production of feed grains is moving out of the Northwest and is being scattered throughout the central part of the Nation. All those developments add to the problems.

We are also increasing our feed supplies to such an extent that, in my opinion, within the next year or two we shall suffer seriously from greatly reduced livestock prices, which are based largely on feed production.

When the Senator from Vermont mentioned crops which might be taken out of production under the bill, I could not resist mentioning this situation, because up to 15 acres of wheat are permitted to be grown anywhere without any marketing penalty; and last year approximately 1 million new acres were planted to wheat in the Corn Belt area.

Mr. AIKEN. Mr. President, what the Senator from Kansas has stated in regard to the movement in the production of wheat is entirely correct. It is true that hundreds of thousands of acres east of the Mississippi River have been devoted, for the first time, to the production of wheat. In that connection, for instance, we may refer to the State of Illinois, where wheat can be produced under exactly the same conditions as those existing in western Kansas, and the wheat thus produced in Illinois can qualify for the same support price, although it is not acceptable to the milling trade. Undoubtedly it is true that corn producers in Illinois—and the Senator from Illinois, who is sitting before me, understands the situation there—might take their additional soil bank acreage out of their wheat acreage, except I suspect they have already planted their wheat. So that would be impossible at this time.

I am simply trying to point out some of the administrative difficulties which would be bound to develop if the pending bill were to be enacted. I repeat that the bill is a fine one, but it is 6 weeks late, in terms of having it become law and become an effective program.

I wish to add that the soil-bank program does not constitute a panacea. It may make better farmers out of our agricultural producers, because as the number of acres is decreased, our farmers learn to produce much more per acre. But in the public interest, I think from now on we must place more emphasis on the conservation reserve. I am not sure how long the general public will approve of the acreage reserve, which pays—and properly so, I think—substantial

amounts for taking crops out of production. I think that program must be a temporary one; the public will object to it if it runs too long.

But the public will support the conservation reserve, and we should promote it. The conservation reserve takes our poorest land out of crop production, and puts it to some better use or permits it to remain idle or to be planted to a soil-building crop which will make the land better and will keep it in reserve for future years. The public will support a program of that kind.

So in the future I think we must place more emphasis on the conservation reserve. If we are going to maintain a soil-bank program at all, we shall have to provide greater incentives for placing land into the conservation reserve, because the time may soon come when we shall not have the acreage reserve.

I shall not vote against the bill because it is not a good bill. I shall vote against it simply because it is 6 weeks late in coming before us, and because I think it would create administrative impossibilities and possibly chaotic conditions and ill feelings between different groups of farmers in different parts of the country; between those who have already signed up for the soil bank and those who could sign up under more favorable conditions; between those in the South who have already planted corn and those in the North who can enter into the program for 5 or 6 weeks yet, provided that time is made available to them.

I hope I have explained my position. I think it is a sound one. I simply believe if this program is authorized now, it will be unworkable.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. DIRKSEN. I have listened off and on to the debate of this bill on the floor of the Senate. I have been going through the Record a little bit. I have heard some rather testy and tart statements made about the Secretary of Agriculture. I heard such statements made yesterday afternoon.

When the Senator from Vermont speaks of the fact that this bill comes 6 weeks late, I have an idea some farmers, particularly some in the Corn Belt, are going to ask a very simple question: Why is the bill late? Any number of bills were introduced. I myself introduced one providing a corn program. In the table of contents in the printed hearings there is a recital of at least 7 or 8 bills. Proposed legislation on the subject has been before the House of Representatives for a long time. I know, of course, the vagaries of action that took place in that body. But there is still before us the question, Why was the bill late and why was action taken so late, when everyone knew March 8 was the signup deadline; when everybody knew, of course, it would not be too long until shiny plows would go into the earth in Illinois, Iowa, and elsewhere?

Frankly, I think the Congress is going to answer to the farmers for its responsibility if there comes a dislocation and a disorganization of our farm economy, and if, 18 months or 2 years from now,

there results another hoard of feed grains and a disorganization of the whole livestock industry. I want to be sure the responsibility and blame is placed where it properly belongs. It will belong, not on the President, not on the Secretary of Agriculture, but it will belong on the Congress of the United States for failing to take action when it had time to act.

We have not been suffused with a heavy schedule. Very little has come out of the committees. There have been long recesses by the Senate and the House of Representatives. I think, with an accusing voice, corn farmers in the Middle West and elsewhere can very properly put the responsibility on the Congress for the farmers having to meet a planting season without a planting pattern because of failure and inaction on the part of the Congress of the United States. I say it very impersonally, because I am fully willing to accept my full share of the responsibility.

Mr. AIKEN. Regardless of where the responsibility lies—and, of course, the Congress must accept the responsibility—we must realize the defeat of the proposed legislation in the House was due largely to the fact that the urban Representatives in the House were almost solidly opposed to the bill. In fact, I think of 43 Representatives from the State of New York, only 2 Members voted for the corn bill, and New York is a large corn-producing State. That was true of the Representatives from most of the States with large urban populations.

Mr. DIRKSEN. The Senator is referring, is he not, to Main Street farmers who have calluses from golf-stick handles rather than from plow handles?

Mr. AIKEN. I would not know what a callus from a golf-stick handle looks like. I know what a callus from a hoe handle or a pitchfork handle looks like, because I have acquired a good many of them.

Mr. President, there has been some inclination to say that the soil-bank program last year was messed up because of improper administration by the Department of Agriculture. I should like to point out that the Department of Agriculture was acting under instructions from the Congress last year.

I ask unanimous consent to have printed in the RECORD at the end of my remarks a part of a statement which was made by Mr. POAGE, of the House of Representatives, in reporting the soil-bank bill to the House last year. I have no objection to the entire statement being printed, except that it would be too long. So I ask that all of the third column on page 7950 of last year's CONGRESSIONAL RECORD through the end of the first paragraph on page 7951 be printed in the RECORD. It will show very definitely that the Department of Agriculture was instructed by the Congress last year to proceed with a program which could not work properly. In fact, I have a feeling, which is almost a sure feeling, that the bill before the Senate would not provide a program which could be properly administered. I am prompted for that reason to vote against the bill at this time,

although I would have been delighted to have voted for it even 5 weeks ago.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

The first agreement in the conference was to accept the House provisions as to the effective date of the bill. You will recall that when we discussed this bill on the floor of the House some 3 weeks ago, there was general agreement that we wanted to make the soil bank go into effect without delay. I think I am fair in saying that agreement knew no party line; that we were all agreed it should be effective immediately. When the bill reached the other body, they decided not to require the Secretary to put the bill into effect until next year and to leave to the Secretary the right to put it into effect in 1956 only when, where, if, and as he pleased. In a letter to the Senator from Vermont, Senator AIKEN, Secretary Benson indicated he probably would not put it into effect over most of the country.

Our first effort in the conference was to sustain the House position and I am glad to report that the position of the House was sustained and that we bring you a conference report which places this bill in effect the day the President signs it. That means that for all crops it is in effect this year. I recognize that for a large portion of the United States including the area where I live, most of our crops have long since been planted. I recognize that in most of the United States farmers will find it will be impossible or impractical to proceed with the soil bank at the level at which we had hoped it might be used this year. But that very fact—the fact that only a small percentage of the farmers of America will be able to use this soil bank this year—should make it possible for the Department of Agriculture to make it effective and available to those who do want to use it without delay.

I recognize that the RECORD shows a long letter inserted yesterday by the Secretary of Agriculture explaining how difficult it will be for him to put the soil bank into effect immediately; but the very arguments to the effect that a large part of the farmers of America cannot use the program this year means there will not be a large caseload burden on the Department and it should make it possible for the Department to help these farmers who are able to put land into the soil bank. So I hope there will be no excuses offered for not getting the program into effect promptly. The law says—that is if the President signs the bill it will be the law and it will say—that it is to go into effect this year, and it means in effect for everybody in the United States, including those farmers who for unfortunate reasons of adverse weather were unable to plant or to get their crops up. This bill, in plain words, says that such farmers shall have the right to put their land into the soil bank "whether or not planted to the production of the 1956 crop" if the crop is destroyed or, in the words of the President, if it is "incorporated into the soil." It includes those farmers who have a poor stand, those who do not have a good crop up now. They can take part of that land and put it in the soil bank. It is so intended, and the bill so states in plain words. Probably the number of farmers who will desire to take advantage of those provisions is not large, but the opportunity is clearly provided by the bill. In the drought areas this may be important.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. DIRKSEN. I want to clarify for the RECORD that the Senator from Ver-

mont is saying that, notwithstanding the fact that last year the Department of Agriculture said it could not effectively apply the soil-bank program in the crop year 1956, what came out of the conference committee was virtually a mandate for him to do it, notwithstanding the conviction of the Secretary of Agriculture and his associates. Is that correct?

Mr. AIKEN. That is correct. To bear out that statement, I have asked to have a part of the statement made by Representative POAGE, in reporting the bill to the House, printed in the RECORD. There was money wasted last year, and production was not reduced the way it was intended it should have been under the soil bank. I do not want the same thing to happen even to a single crop this year.

That is all I have to say, Mr. President.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Was unanimous consent given for the insertion in the RECORD of the part of the CONGRESSIONAL RECORD request by the Senator from Vermont?

The PRESIDING OFFICER. No objection was made to the request.

Mr. POTTER. Mr. President, I call up my amendment, 4-9-57-A.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add a new section as follows:

SEC. 4. Section 335 of the Agricultural Adjustment Act of 1938, as amended, is further amended by adding a new subsection (f) after subsection (e) to read as follows:

"(f) The Secretary, upon application made pursuant to regulations prescribed by him, shall exempt producers from any obligation under this act to pay the penalty on, delivery to the Secretary, or store the farm marketing excess with respect to any farm for any crop of wheat harvested in 1956 or subsequent years on the following conditions:

"(1) That none of such crop of wheat is removed from such farm;

"(2) That such entire crop of wheat is used for seed on such farm, or is fed on such farm to livestock, including poultry, owned by any such producer, or a subsequent owner, or operator of the farm;

"(3) That such producers and their successors comply with all regulations prescribed by the Secretary for the purpose of determining compliance with the foregoing conditions. Failure to comply with any of the foregoing conditions shall cause the exemption to become immediately null and void unless such failure is due to circumstances beyond the control of such producers as determined by the Secretary. In the event an exemption becomes null and void the provisions of this act shall become applicable to the same extent as if such exemption had not been granted. No acreage planted to wheat in excess of the farm acreage allotment for a crop covered by an exemption hereunder shall be considered in determining any subsequent wheat acreage allotment or marketing quota for such farm."

Mr. POTTER. Mr. President, I regret the necessity for offering this amendment to the corn bill. I would much pre-

fer that the amendment be considered on its merits, or as an amendment to a wheat bill, or as an amendment to a general type of bill for agriculture.

I fully appreciate the fact that the managers of this bill desire to have the bill go through clean, without amendments.

Mr. President, the problem is serious. First, the Senate has acted on the legislation proposed by the amendment at least twice before, and on each occasion the House has failed to act.

At the present time there are in Michigan many small farmers, who may have an allotment of 17, 18, or 20 acres of wheat. This fall there was an epidemic of cases of farmers being haled into court and prosecuted, because they had planted 1, 2, or 5 acres more wheat than their allotment, despite the fact that all such wheat was used on their farms, and despite the fact that not 1 cent was received for any sale and not 1 bushel of the wheat was sold on the market.

It is difficult for me—and it is difficult for our farmers—to understand how the Congress of the United States time and time again can consider farm legislation and fail to act, while at the same time saying "We agree that this situation should be corrected."

Day after day farmers are being haled into court and being prosecuted. For what? Because they used their wheat to feed their stock, or for seed.

Mr. President, there is nothing I can add that Senators who are interested in agriculture do not already know. This is not a question which needs further study, as is provided for in the bill now under consideration.

The President has recommended remedial legislation. As a matter of fact, during the last session of Congress the President, in his message, stated:

Legislation already has passed the Senate and is pending in the House of Representatives which would exempt from marketing quotas those producers who use for feed, food, or seed on their own farms all the wheat they raise. Because of failure to pass this legislation last year, the Department of Agriculture has been compelled by law to hale before the courts farmers whose only offense was to raise their feed wheat outside their quotas. Again the administration urges prompt enactment of this legislation. Correction of this problem should be delayed no longer.

That was last year, and still this situation has not been corrected.

What does the American Farm Bureau Federation have to say about this problem? The American Farm Bureau, in its Manual of 1957 Policies, has this to say:

We recommend legislation to exempt farms from wheat-marketing quotas if all wheat produced thereon is used only as food, feed, or seed on the farm where grown or on farms under the same operation.

This amendment, while it is a wheat amendment to a corn bill, is necessary because of punitive action which has been taken against our farmers—and they are small farmers. To me, that problem is even more important than the corn problem, which the Senate is now considering.

I do not see how Senators can say, "Well, this is a sacrosanct bill. We do not dare to dot one 'i' or cross one 't.' We will weep tears for some farmers who are now being haled before the courts, but we must wait. We must have further study. We must wait until we bring out another clean bill."

I say, Mr. President, that such a procedure is grossly unfair. I sincerely hope that the committee will accept this amendment. The Senate has acted favorably on it twice, I believe, without a dissenting vote.

I cannot conceive that adoption of an amendment of this kind would in any way jeopardize the passage of the proposed legislation. I think all Senators will admit that the proposed legislation has probably a perilous path in the House of Representatives, to begin with.

I certainly believe that the amendment I have proposed, to put a stop to this practice of haling farmers into courts for technical violations, should be adopted, and this situation should be corrected at this time.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. POTTER. I am delighted to yield to the distinguished Senator from Kansas.

Mr. CARLSON. Mr. President, I wish to commend the Senator from Michigan for bringing to the attention of the Senate a very serious problem in agriculture. There is not any question about the problem. The Senator has brought to the attention of the Senate the fact that we are dealing today with a commodity, corn, which does not have marketing quotas or marketing penalties. But the wheat producer of the Nation has both. The wheat producer has a marketing quota, and he operates under penalties.

As the Senator from Michigan has so clearly stated, thousands are being haled into court. In fact, last year 14,000 of them were haled into court in the United States under the provisions of the laws we have been discussing, on charges of violation of marketing penalties and quotas. There are pending today 1,400 cases against farmers.

I think it may of interest to Senators to know that last year the 14,000 farmers I mentioned were fined \$8.5 million for refusing to let the Government dictate their operations.

Mr. President, I had hoped to bring this matter up, but I did not wish to do so in connection with the pending bill. In view of the fact that the Senator from Michigan has done so, I shall not let this opportunity go by without commending the Senator for his action, and urging the Senate to adopt the amendment. It is an action which should be taken, in all fairness.

I invite the attention of the Senate to what is happening to the wheat producers, as stated just a few moments ago when the ranking minority member of the Committee on Agriculture and Forestry, the Senator from Vermont [Mr. Aiken], referred to the movement of wheat production.

Wheatgrowers are not limited only by wheat quotas, acreage allotments,

and marketing penalties but their production is being taken away from them by the very corn-producing States we are helping today. In case some Senators were not present when I gave the figures, I should like to give them again.

I invite attention to the fact that there were 7,006 new wheatgrowers in the State of Illinois last year—farmers who had not previously grown wheat. They will come under the 15-acre provision. There is no quota provision. They can feed wheat or market it.

There were 6,308 in the State of Indiana. There were 3,867 in the State of Ohio. There were 19,651 in Missouri. As I stated upon a previous occasion, that is one of the real problems facing the wheatgrower.

The Senator from the great State of Michigan has mentioned two other very serious problems. I commend him again, and I sincerely urge that the Senate give some consideration to what is happening to thousands of farmers. There were 1,400 cases pending last year. I did not bring the file with me, but I received a report 2 weeks ago from the district attorney of Kansas which listed several hundred farmers who were being haled into court, some of them on charges which would involve fines of \$5, \$25, \$200, or \$400. This situation should not be permitted to continue indefinitely in this great Nation.

Mr. POTTER. Mr. President, I appreciate the observation of the distinguished Senator from Kansas on this problem. The farmers of Michigan are pretty independent. They cannot understand why the Congress has not taken action to correct this punitive law. I wish I had brought to the Chamber some of the letters which I have received. Farmers write to me and ask, "Are we living in a free country? Because I grow 17 acres of wheat, with my allotment of 16, but use it all on my own farm, and do not sell a single bushel, I am hauled off to court and am fined."

It is difficult to answer those independent farmers.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. YOUNG. I am very much interested in the comments of the Senator from Michigan, but I think he is being a bit unfair to the established and regular wheat farmers. Wheat is unlike any other crop I know of in one respect. It is produced in every State of the Union. Like no other basic commodity, wheat can be raised to the extent of 15 acres by anyone, without penalty, when quotas are in effect. That is not true with respect to any other basic farm commodity. A farmer can raise 15 acres and in a few years gain a wheat allotment, which cannot be done in connection with any other basic commodity.

Mr. POTTER. If the Senator will allow me to respond, surely the minimum requirement is 15 acres. But there are many farmers in the State of Michigan who raise 18 or 20 acres, and who must come under the allotment program, even though they use the entire wheat production on their own farms, and do not send any of it to market.

Mr. YOUNG. There would be even stricter regulations if corn were under quotas. A farmer would not be able to raise any corn and sell it on the market. However, it so happens that wheat is raised in every State of the Union, and that there is some justification for making some exemption. The Senate has approved such legislation in past years, but the House objected to it. The objection came largely from one of the finest Members of the House, Representative Hope, of Kansas. Under the present law a farmer can raise 15 acres of wheat, and if he uses it for feed or seed on his own farm, he is not subject to a penalty. The amendment of the Senator from Michigan would abolish that 15-acre limit.

Mr. POTTER. There would be no limit, so long as the farmer used it all on his own farm.

Mr. YOUNG. At the present time, if he raises 15 acres or less and uses it for feed or seed on his own farm, he is not subject to penalty and does not have a vote. Under the terms of the Senator's amendment, he would gain a vote if he raised 15 acres or more for feed or seed.

I have prepared an amendment which would provide that if a farmer raised wheat for feed or seed, he would not have a vote in a referendum, as is now the case with a farmer who raises 15 acres or less.

Mr. POTTER. I have discussed this amendment with the distinguished Senator from North Dakota, and I shall be happy to modify my amendment so as to include the amendment of the Senator from North Dakota, which provides that if the farmer uses the wheat for feed or seed, he shall not be permitted to vote.

Mr. YOUNG. Mr. President, I send to the desk my amendment, which has been accepted by the Senator from Michigan as a modification of his own amendment. I ask unanimous consent that the modification be printed in the RECORD at this point without reading, together with an explanation of the amendment.

There being no objection, the modification, together with the explanation, were ordered to be printed in the RECORD, as follows:

At the end of the Potter amendment, insert the following:

"SEC. 5. (a) Section 335 (d) of the Agricultural Adjustment Act of 1938, as amended (providing for a 200-bushel minimum quota), is repealed.

"(b) Paragraph (7) of Public Law 74, 77th Congress (providing for a 15-acre exemption) is repealed.

"(c) The first sentence of section 336 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows: "Between the date of the issuance of any proclamation of any national marketing quota for wheat and July 25, the Secretary shall conduct a referendum, by secret ballot, of farmers in the commercial wheat producing area who are engaged in the production of wheat, as determined under regulations issued by the Secretary, on a farm for which a wheat acreage allotment of more than 15 acres has been established for the then current crop of wheat or a farm on which more than 15 acres of wheat were planted for harvest as grain in the then current year to determine whether such farmers favor or

oppose such quota. No farmer voting in any such referendum shall be eligible for exemption under section 335 (f) of this act from marketing penalties with respect to the crop to which such referendum is applicable."

EXPLANATION

The amendment offered by the Senator from Michigan would exempt from wheat marketing penalties farmers who use all of the wheat produced by them for feed or seed where used on farms where produced.

This exemption would be additional under the Senator's amendment to the exemption already contained in paragraph (7) of Public Law 74, 77th Congress, which permits any farmer to raise and market up to 15 acres of wheat penalty free. A very large percentage of the farms raising wheat fall into this exempt category. The 15-acre exemption, and also a 200-bushel exemption contained in section 335 (d) of the Agricultural Adjustment Act of 1938, were designed to take care of the farmer who raises wheat for his own use. If the Senator from Michigan does not feel that the existing exemptions are adequate and that a larger exemption is desirable, then I believe the larger exemption proposed by him should be in substitution for, rather than in addition to the existing large exemptions.

The amendment I am proposing would alter the amendment of the Senator from Michigan to accomplish this purpose. The amendment I am proposing would—

First, repeal the existing 200-bushel exemption;

Second, repeal the existing 15-acre exemption; and

Third, maintain the existing wheat referendum voting eligibility requirements so that (1) farmers planting less than 15 acres; and (2) farmers who are exempt from quotas, will not be eligible to vote in such referendums.

To explain further the change my amendment would make in the referendum provision, the referendum provision now applies to farmers who will be subject to the quota. Fifteen-acre producers are not now eligible to vote under this provision because under existing law they are exempt from quotas. My amendment, by repealing the 15-acre exemption, would make 15-acre farmers subject to the quota and, therefore, would make them eligible to vote under the existing referendum provision. To prevent this from happening, my amendment would amend the referendum provision to restrict it to farmers with allotments in excess of 15 acres or who plant in excess of 15 acres. In addition my amendment would exclude from the referendum farmers who would be exempt from quotas because they use their entire crop for feed or seed on the farm.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. HUMPHREY. First of all, I wish to commend the Senator from Michigan for bringing this subject again to our attention.

I add that the amendment of the Senator from North Dakota [Mr. Young] is very desirable and very important. It protects the rights of those who are participating in price-support programs, in terms of their vote. At the same time, it exempts from penalty farmers who are utilizing their wheat production for purposes other than sale in the market.

The Senator from Michigan well knows that if this amendment is added to the bill, it will only further complicate what we are attempting to do. The Senate has on previous occasions ap-

proved legislation of this type. As the Senator has very well noted, that has occurred on 3 or 4 occasions. As I recall, twice last year the Senate approved such legislation.

I hold in my hand a report from the Department of Agriculture on the Senator's bill, which would accomplish what he is now asking to have done by an amendment to the pending bill. The report of the Department is favorable. The bill is now before the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices of the Committee on Agriculture and Forestry. I am a member of that subcommittee. I am not its chairman, but I know that the attitude of members of the committee with whom I have talked on the subject is favorable.

Let me say to the Senator from Michigan that, within the limits of my abilities, I shall make it my personal business to seek action on his bill in the committee, in order that it may be reported promptly to the Senate as a separate bill. I believe it deals with a problem which it is necessary to solve.

I appeal to the Senator's sense of justice and cooperation not to insist upon attaching his amendment to the pending bill, but to rely upon the good faith of his colleagues, to the limit of their ability, to have his bill reported as a separate bill. It has the approval of the Department of Agriculture. If I am not mistaken, such legislation has been unanimously approved by the Senate.

Mr. POTTER. The Senator is correct.

Mr. HUMPHREY. If the Senator's bill were reported as a separate bill, and not attached to the pending bill, the other body would be deprived of any excuse not to support the proposed legislation which is now before the Senate.

I suppose there were good reasons in the minds of Members of the other body for not supporting the bill, as amended, last year.

Mr. POTTER. I am inclined to believe that the amendment of the distinguished Senator from North Dakota [Mr. Young] would probably erase much of the opposition which we encountered in the House previously in connection with a similar measure.

Mr. HUMPHREY. That is my understanding of the effect of the modification of the amendment.

Mr. POTTER. I join my colleague in commending the Senator from North Dakota for bringing the subject to our attention. I am confident that we shall now win the battle to obtain action, so that my bill will finally become a law.

Mr. HUMPHREY. In the distinguished Senator from North Dakota [Mr. Young] the Senator from Michigan has an ally with the strength of a legion. Together they will stand as would the Spartans at the pass of Thermopylae had they been reinforced. They are like the Athenians. They are winning all the struggles. They cannot lose.

I suggest that it would be helpful if the Senator from Michigan would await the day when his measure can be reported in its full glory, without being

in any way limited by other considerations. With the Senator from North Dakota and the Senator from Michigan marching arm in arm in a solid phalanx, there is no doubt that victory will crown their efforts, and glory will be their reward.

Mr. POTTER. I think the task of the distinguished Senator from North Dakota and the Senator from Michigan would be much easier if our efforts were supplemented by the strength and ability of the Senator from Minnesota, leading the way in his subcommittee, so as to make sure that the proposed legislation will receive prompt attention.

Mr. HUMPHREY. I give the Senator my wholehearted assurance of my cooperation and my pledge of fidelity and loyalty to the end.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. CARLSON. In view of the fine words of the Senator from Minnesota regarding the excellent Senator from North Dakota [Mr. YOUNG], I merely wish to advise the Senator from Michigan to beware of Greeks bearing gifts.

Mr. HUMPHREY. That is a fine way to talk about us Norwegians. [Laughter.]

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. MUNDT. I should like to add my voice to that of the distinguished junior Senator from Minnesota in urging the Senator from Michigan to avoid, if he will, burdening the bill further, which already looks like a bill carrying a very heavy cargo as it goes to the House. As has been expressed by the Senator from Kansas, the Senator from North Dakota, and the Senator from Minnesota, I, too, feel that it is an excellent amendment, one that should be passed on its own merits, as a separate piece of legislation. We have heard today, in open meeting, the pledge and the promise of the junior Senator from Minnesota, who is a member of the subcommittee which is considering the proposal.

I might add that there is nothing the Senator from South Dakota would rather do than ride herd on the junior Senator from Minnesota in this connection.

Mr. HUMPHREY. Of that there is ample proof already.

Mr. MUNDT. I know he will not need any watching or pressuring or pushing. But if he should need it, I shall be very happy to do it. I am sure our committee will report the proposed legislation, as the Senator from Minnesota has suggested, and it would be very helpful if the Senator from Michigan would accede to our suggestion.

Mr. POTTER. The Senator from Michigan can only say that with all the flattery which has been indulged this afternoon, and in view of the great show of strength, the Senator from Michigan has considerably weakened in his insistence on his amendment.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. AIKEN. Coming from a dairy State, I wish to make the observation

that it is pleasant to note one place where butter is used very liberally.

Mr. HUMPHREY. I thank the Senator from Michigan for his very fine cooperation.

Mr. POTTER. With the assurance of the chairman of the subcommittee of the Committee on Agriculture and Forestry, that prompt action—

Mr. HUMPHREY. I am not chairman of the subcommittee. I am a member of the subcommittee, with the Senator from South Dakota. I suggest that we now have the unbeatable combination of Notre Dame and Michigan State.

Mr. POTTER. And with Minnesota doing the line bucking, I am sure we will have success.

Mr. YOUNG. My resistance has all disappeared.

Mr. POTTER. Mr. President, I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. Without objection, the Senator withdraws his amendment.

SEVERAL SENATORS. Vote! Vote! Vote!

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time the question is, Shall it pass?

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

Mr. HUMPHREY. Mr. President, if the Senator from Louisiana will withhold that request for a moment, I should like to ask for the yeas and nays.

Mr. ELLENDER. Very well.

Mr. HUMPHREY. On the question of the passage of the bill I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ELLENDER. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on the passage of the bill. On this question the yeas and nays have been ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point some communications dealing with the subject under consideration.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MARCH 25, 1957.

Mr. MARVIN L. McLAIN,
Assistant Secretary, United States Department of Agriculture, Washington, D. C.

DEAR Mr. McLAIN: As you know, I have tried to cooperate in every way possible toward obtaining some workable new legislation enacted at once to ease the corn situation. I am pleased that we were able to re-

port out a bill from our Senate committee, and am pressing for immediate consideration by the Senate.

Because of the adverse views of our chairman, it will be necessary for me to lead the fight for this bill to make sure it is presented as a truly bipartisan approach. I am sure I can count on the support of midwest Republicans, and certainly am hopeful we can have the full and vigorous backing of the administration.

Opposition concern as reflected in our committee seems to center on two points:

1. The possibility that reopening the soil bank sign-up might result in cancellation of existing contracts.

2. The charge that no funds are available, so no additional sign-up can be achieved.

It would be most helpful to have from the Department, as quickly as possible, a letter indicating, if you so feel, that under no circumstances will there be "less" participation in the soil bank under this bill, and in all likelihood there will be more—and that as a result in all likelihood the legislation will result in less total feed grain production this year than would result otherwise.

It would also be helpful if you could indicate the amount of funds that will likely be available, to your best estimate, for signing up additional corn land in the soil bank.

Martin Sorkin heard the issues raised, and is familiar with the type of material that would be most helpful in countering the arguments against such legislation. If possible, the letter should be signed by the Secretary for use on the Senate floor during the debate.

Sincerely,

HUBERT H. HUMPHREY.

DEPARTMENT OF AGRICULTURE,

OFFICE OF THE SECRETARY,

Washington, March 29, 1957.

HON. HUBERT H. HUMPHREY,

Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR HUMPHREY: This will acknowledge your letter of March 25, with reference to possible legislation affecting the 1957 corn crop.

As you know, we have approximately 325,000 agreements covering corn under the 1957 acreage reserve program. As of March 22, there were approximately 4.6 million acres covered by firm contracts and an additional 1.1 million acres offered by farmers who have signed agreements and have requested permission to place in the acreage reserve additional acreage above the individual farm maximum limitations. Thus, it appears that about 5.5 million acres will be signed up in the 1957 acreage reserve program under the present allotment. This compares with our announced goal of 4.5 to 5.5 million acres.

On March 14, after the adverse action in the House of Representatives with respect to corn legislation, in order to be fair to those farmers who needed a definite decision as to whether we would accept the additional acreage offered, we announced that we would accept over-limit corn acreage under the soil bank. This had previously been done for all other commodities under the acreage reserve program.

As of March 22, the agreements signed within the farm limits covered approximately \$171 million. The offers above the individual farm maximums amounted to about \$37 million. It is probable that not all of the offers above the individual farm maximum will ultimately be consummated into firm contracts. Therefore, it is probable that the total costs of the corn program, in the absence of new legislation, will be approximately \$200 million.

Under section 105 (c) of the Soil Bank Act the total compensation paid producers for participating in the acreage reserve pro-

gram with respect to any crop year shall not exceed \$750 million and with respect to corn for any crop year shall not exceed \$300 million. Of the former amount the share of corn was \$217.5 million. Of course, if \$300 million were used for corn, about \$82.5 million would have to be shifted to corn from amounts originally allocated to other commodities. Under these provisions there would be available for corn approximately \$100 million for additional sign-up in the acreage reserve program for 1957. The attached table shows the current status for each commodity under the acreage reserve program.

On the basis of the contracts already signed and the bill as it passed the Senate committee, there is apparently no requirement that the existing contracts be canceled. Nor would we (in event such a bill became law) want to cancel existing contracts except under very unusual circumstances. Rather, we would probably allocate the remaining funds in a manner to obtain the maximum number of additional contracts and acreage in the soil bank.

Of course, you recognize that farmers generally have made their 1957 plans on the assumption that there would be now new corn legislation. In view of the delays which have occurred, there will be many administrative problems. These will include reopening the sign-up to those who have already signed firm agreements but for whom the amount in the acreage reserve would be less than 15 percent of their acreage base. Then there would be those producers who want to participate on the basis of their acreage base but who felt that they could not because of the size of their acreage allotment. Of course, some currently signed up may desire to cancel their contracts because of the change of rules. This may create certain administrative problems.

I am most pleased with your statement referring to the presentation of the arguments on this legislation on a truly bipartisan basis. It is my hope that all legislation can be considered on this basis for out of this attitude can come long-time benefits to agriculture.

Sincerely yours,

MARVIN L. McLAIN,
Assistant Secretary.

1957 acreage reserve fund utilization
[Million dollars]

Commodity	Maximum permitted in any crop year	Allocation	Maximum permitted as of Mar. 22, 1957	Amount available for reallocation to corn
Corn.....	300	217.5	208.0	
Cotton.....	300	217.5	157.0	60.5
Peanuts.....	7			
Rice.....	23	14.0	13.5	.5
Tobacco.....	45	34.1	18.0	16.1
Wheat.....	375	267.6	235.0	32.6
Total.....	1,050	1,750.7	631.5	109.7

¹ Not more than \$750 million can be used for all commodities in any 1 year.

² Of this amount up to \$82.5 million would be reallocated to corn.

STATE OF MINNESOTA,
St. Paul, April 3, 1957.

HON. HUBERT H. HUMPHREY,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR HUBERT: On March 19, the Minnesota House of Representatives passed a concurrent resolution asking that the Federal Government take action to enact a minimum corn soil bank program.

This program called for a minimum corn base acreage in the Corn Belt of 51 million acres, a support price on corn of \$1.50 for

1957, and a production requirement that each participating farmer put 15 percent of his corn acreage allotment in the Soil Bank as a condition of eligibility for price supports.

This resolution is now being considered in the Minnesota Senate, and meanwhile the House has sent you a copy of the Resolution as passed by that body. I would like to take this opportunity to express my wholehearted support of this program recommendation and to add several comments on a long range Soil Bank Program for corn and feed grains.

Any adequate long-range program for corn must also include the feed grains and livestock as well, because all of these commodities are part of one production cycle. To reduce the supply of corn without also paying some attention to the overall supply of the other grains which can and are being fed to livestock is simply to transfer the problem from the right to the left hand.

I believe that payments per acre in both the conservation and acreage reserves should be raised to a figure that would secure widespread participation among farmers. Only if we have such widespread participation can the Soil Bank do the job it was originally intended to do; namely, to bring supply into line with demand and to encourage and foster soil preserving measures in American agriculture.

Finally, it would be more equitable to make small farms eligible for larger acreage payments because of the higher relative cost of soil bank participation to small farms than large farms. Some additional consideration should also be given to farmers who in the very recent past have come into commercial growing areas for specific grains and therefore have a low planting history and small allotments in these programs.

I know that you will, as always, do your utmost to see that Minnesota's farmers are given an adequate program both for corn and other crops as well. We, back in Minnesota, will be watching your campaign with interest and will do whatever we can to help carry the fight forward.

Sincerely yours,

ORVILLE L. FREEMAN,
Governor.

The PRESIDING OFFICER. The question is on the passage of the bill. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Texas [Mr. BLAKLEY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from North Carolina [Mr. ERVIN], the Senator from Texas [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], and the Senator from Montana [Mr. MURRAY] are absent on official business.

The Senator from West Virginia [Mr. NEELY] is absent because of illness.

I further announce that, if present and voting, the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], and the Senator from West Virginia [Mr. NEELY] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from Connecticut [Mr. BUSH], and the Senator from Utah [Mr. WATKINS] are absent on official business.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Arizona [Mr. GOLDWATER] and the Senator from Wisconsin [Mr. McCARTHY] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Connecticut [Mr. BUSH], and the Senator from Maine [Mr. PAYNE] would each vote "nay."

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from Arizona would vote "nay."

On this vote, the Senator from Wisconsin [Mr. McCARTHY] is paired with the Senator from Utah [Mr. WATKINS]. If present and voting, the Senator from Wisconsin would vote "yea," and the Senator from Utah would vote "nay."

The result was announced—yeas 35, nays 45, as follows:

YEAS—35

Barrett	Hennings	Morse
Bricker	Hickenlooper	Morton
Capehart	Hruska	Mundt
Carlson	Humphrey	Neuberger
Carroll	Jackson	Potter
Case, S. Dak.	Jenner	Schoeppel
Church	Johnston, S. C.	Stennis
Cooper	Kefauver	Symington
Curtis	Knowland	Thye
Dirksen	Mansfield	Wiley
Douglas	Martin, Iowa	Young
Eastland	McNamara	

NAYS—45

Aiken	Green	O'Mahoney
Beall	Hayden	Pastore
Bennett	Hill	Purtell
Bible	Holland	Revercomb
Butler	Ives	Robertson
Byrd	Javits	Russell
Case, N. J.	Kennedy	Saltonstall
Clark	Kerr	Scott
Cotton	Kuchel	Smathers
Dworshak	Lausche	Smith, Maine
Ellender	Long	Smith, N. J.
Flanders	Malone	Sparkman
Frear	Martin, Pa.	Talmadge
Fulbright	McClellan	Thurmond
Gore	Monroney	Williams

NOT VOTING—16

Allott	Ervin	Murray
Anderson	Goldwater	Neely
Blakley	Johnson, Tex.	Payne
Bridges	Langer	Watkins
Bush	Magnuson	
Chavez	McCarthy	

So the bill (S. 1771) was rejected.

Mr. ELLENDER. Mr. President, I move that the vote by which the bill was rejected be reconsidered.

Mr. HOLLAND. Mr. President, I move to lay on the table the motion of the Senator from Louisiana to reconsider.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The question is on agreeing to the motion to lay on the table the motion to reconsider.

"The motion to lay on the table was agreed to.

APPOINTMENT OF ONE ADDITIONAL ASSISTANT SECRETARY OF STATE

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Order No. 224, Senate bill 1832, to authorize the appointment of one additional Assistant Secretary of State.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1832) to authorize the appointment of one additional Assistant Secretary of State.

THE NOMINATION OF ORMAN W. KETCHAM TO BE JUDGE OF THE JUVENILE COURT, DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I wonder whether the acting majority leader can tell me the status of the Executive Calendar. I do not believe the Executive Calendar was taken up today by the Senate.

Mr. SMATHERS. It is my understanding that the majority leader wishes to have the Executive Calendar taken up the first of next week. It was not taken up today.

Mr. MORSE. I am very happy to hear that it is contemplated that the Executive Calendar will be taken up at an early date. I say that because in the District of Columbia there is a difficult situation, because of the failure to act on the nomination of a juvenile court judge. The Committee on the District of Columbia has held hearings on this vacancy and on the President's nomination. There was some difference of opinion—although I never thought it a very serious one—within the committee, although confirmation of the nomination of Mr. Ketcham, the President's nominee, was recommended by the District of Columbia Committee by a vote of 7 to 2.

Mr. President, in the committee I moved that the nomination be favorably reported, after—at an early meeting of the District of Columbia Committee—I had asked to have a thorough investigation made regarding the technicalities of a legal objection which had been raised; namely, as to whether existing law requires that the nominee be a resident within the boundaries of the District of Columbia. After two briefs on the subject—one supporting the nomination, and one opposed to the nomination on this legal ground—were filed with the committee, and after we had had a chance to consider the legal objections, the committee, by a vote of 7 to 2, voted to report the nomination favorably.

I may say that the record I have shows the objections raised by the two who voted against the nomination were not based on any legal ground. They were based on their sincere opinion that someone who had had experience in a juvenile court should have been nominated. I do not think anyone in the committee raised any question as to the validity of the nomination, but two Senators merely would have preferred to have someone nominated who had had juvenile court experience.

Of course, Mr. President, in my opinion, it would put us in a rather impossible position if, as Senators, we insisted every time a nomination came before us the President should nominate somebody who already had considerable experience in the particular field to which

he was nominated. I think, as I have said so many times in the Senate, we have certain historic criteria that we should follow in connection with Presidential nominations. None of those criteria contemplate that the President must be limited to selecting someone for a particular post who has already had wide experience in the particular field; but, rather, he should select someone who is competent and capable of taking on the responsibilities of the particular position.

Of course, we lawyers know, Mr. President, it would be a rather undesirable criterion to say that no lawyer who has not already served on the bench could be appointed to the bench. Sometime there has to be a start in the training of judicial experience. So we look to see whether or not an able and a competent attorney has been selected for elevation to the bench.

I have satisfied myself that Mr. Ketcham is such a person and that there is not, as a matter of law, any basis to disqualify him as the law is presently written because he is not a resident living within the District of Columbia.

Therefore I hope, at an early date, we may resolve the situation with regard to the juvenile court in the District of Columbia by having the nomination confirmed, so the appointee can go to work on the many juvenile cases that need the attention of a judge.

ECONOMIC PLIGHT OF SMALL BUSINESS

Mr. BIBLE. Mr. President, the distinguished junior Senator from Florida [Mr. SMATHERS], who has served with distinction as a member of the Small Business Committee, to which I have had the honor of being recently appointed, has within the past few days written a letter to the President of the United States suggesting that the President give consideration to the creation of a new Cabinet post under a Secretary for Small Business.

I ask unanimous consent that the letter, which certainly is very timely and very well written, be made a part of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LETTER TO PRESIDENT EISENHOWER FROM SENATOR SMATHERS PROPOSING NEW CABINET POSITION OF SECRETARY FOR SMALL BUSINESS
The Honorable DWIGHT D. EISENHOWER,
President of the United States,
The White House,
Washington, D. C.

MY DEAR MR. PRESIDENT: I am writing to you relative to a matter in which I am certain we share a truly sincere and continuing interest. I have reference to the present-day economic plight of the more than 4 million small and independent businesses throughout our great country.

My deep concern with this problem stems primarily from the information and data I have developed over the past 3 years as chairman of the Subcommittee on Government Procurement of the Senate Small Business Committee. In that capacity I have witnessed at firsthand a steady and consistent deterioration of the role played by small firms as suppliers to our Military Establishments. Even more ominous than the fact that small

business received only 16.4 percent of our total defense contracts during the first half of fiscal year 1957 are the recent statistics which reveal that small business is being all but shut out in the field of research and development. It is from these research contracts that tomorrow's negotiations for vast production contracts emanate.

In 1955 corporate mergers and acquisitions reached a 25-year peak of 846, and in the calendar year of 1956 a new quarter-century record was established when more than 900 competitively significant mergers were recorded.

The acuteness of this problem is evidenced by the fact that even the Attorney General, in his report of November 9, 1956, felt moved to observe that this concentration of research and development contracts within the giant companies presented "grave implications for the future of a freely competitive economy."

Were this the only problem confronting our small-business community in these days of widespread prosperity, I would not have deemed it necessary to bring it to your personal attention. It is an unfortunate fact, however, that every single barometer yet devised to measure the economic well-being of the various segments of our business world indicate a general worsening of conditions for the smaller firms. The merger march continues practically unchecked.

The business failure rates, not only for newly formed companies but also for those firms 10 or more years old, continue to rise at an alarming pace. Furthermore, it has become increasingly evident, at least to me, that the current tight money policy visits a particular hardship upon the smaller companies, a burden which is not shared proportionately by the giants of industry to whom, historically, our financial institutions have become inextricably wedded.

Time is running out for the small-business man, Mr. President. Unless we are resigned to accept an economic system where one or two giant companies are to furnish all of the goods and services required in each product field, a wise, comprehensive, and far-seeing national policy must soon evolve, so that we may retain in our economy the initiative and healthy competition inherent in a truly free enterprise system. Much is being done currently toward achieving this goal. The establishment last May of the Cabinet Committee on Small Business was certainly a step in the right direction. Senator SPARKMAN's recent bill (S. 1762) establishing the Small Business Administration as a permanent agency undoubtedly will prove a major milestone along the road to recovery for our small and independent businesses.

Progress has been made, but a great deal more is needed. We must indeed move ahead but, in order to answer any problem, we must define it. It is not exactly clear how "small business" is defined. Some Government agencies seek to measure businesses by their total employment, others by their gross income, but I think of the line between small and big business as a more living, a more practical one, for the larger businesses have the facilities; that is, the accountants, attorneys, public-relations consultants, and associations to represent them and keep them advised as to how they might successfully meet the demands of competition. The small-business man, however, must utilize all his capital in his fight for existence. The great number of small business failures should indicate that they cannot afford the implements and personnel to represent them in obtaining contracts from Government or private industry as can the larger, incorporated firms.

So, as has happened before in our history, one group of Americans is in need of help and they look to their President and the